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AKEL-DIKO RIFT SEEN NO OBSTACLE TO UN INITIATIVE

Athens I KATHIMERINI in Greek 8 Oct 83 p 4

[Article by Plouti Serva]

[Text] Dropping into Nicosia tomorrow, the Cypriot president will not get the usual reception from the moderate partner which dates from April 1982 when he signed the "Minimum Program." Because Ezekias Papaioannou was enraged. And on 1 October, from the platform of the AKEL Youth (APON) of a small village, Anagia, he proclaimed that "the AKEL-DIKO [Democratic Party] cooperation has recently suffered a harsh test, but our party's Politburo decided that for the present it is not raising the question of interrupting the cooperation because it must be the effort of everyone to turn in the direction of the best possible exploitation of the De Cuellar initiative."

The reason for the acrimony and the threat to interrupt cooperation was the disagreement on the issue of the "three indexes" which Mr. Papaioannou analyzed at length before his audience.

Going over the full text of the AKEL secretary general's speech, the careful reader discovers that a "fundamental difference" resulted from the fact that De Cuellar's "three indexes" had not been extended to the issue of the Turkish troops staying on Cyprus, for which there was the former firm slogan: "No dialogue to resume if the Turkish troops do not withdraw first."

The position Mr. Papaioannou supported is: "We do not discuss this issue, it is not negotiable, because the Turkish troops are troops of invasion and occupation and must leave."

Such a position is certainly correct. On the other hand, it is conceivable that, beginning from the "three indexes," the whole problem would proceed to its solution and the Turkish troops will leave or will be forced to leave. And we believe that everyone who studies the problem would agree that the insertion of this issue would complicate the De Cuellar initiative, in the expected reactions of the Turkish side.

Let us not dwell today on the accusations about this insertion and complication which unfortunately were caused by the excessive deliberations in Athens, obviously owing to the unclear perception of the problem by the Greek prime minister and his colleagues.

The question which arises now is Mr. Papaioannou's timing and his, in our opinion, thoughtless aggressiveness.

Let us begin with the second part of the question in order to facilitate judgements on the first.

The accusations against everyone, aside from DISY [Democratic Rally] of course, take the lead in Mr. Papaioannou's speech. He ascribes responsibilities to the "president and his government, with the support of EDEK, the Struggle which supported the coup d'etat, the archbishop, Tasos Papadopoulos and Alekos Mikhailidis, who rejected the three indexes and are seeking to discuss indexes for a total solution." In addition to this, Mr. Papaioannou called to mind the "Minimum Program" which the Cypriot president did not respect, while his party, in order to maintain "democratic unity," did not claim even one position on the Council of Ministers. He proclaimed that "AKEL did not accept in the past, and will never accept in the future blackmail from anyone. It has its own independent entity and makes its decisions by itself." And he added: "Those who maintain that AKEL is obliged to support the president and his government do not know what AKEL is."

AKEL also proceeded to a challenge, calling its adversaries to an electoral confrontation in order to show what the people's feeling is. He referred to "the fundamental difference between AKEL and DISY," but stressed that this difference "does not mean that responsibility for solution of the Cypriot issue should be assumed by all the parties in the House of Representatives."

Now our perserverance is facilitated for an answer to the first part of the question: Why had this harsh expression of a difference not occurred before? Why not forty or fifty days ago? Because the different positions vis-a-vis the three indexes had been present since then. Why did AKEL not intervene at the first moment, openly demanding inter-party deliberations? Why immediately, as soon as it got the three indexes in its hands, did it hasten (in collaboration with DISY) to express itself in favor of the indexes, not conceding even one moment for inter-party deliberations? And why did it pick the most inappropriate moment to express itself as, unintelligibly for every observer, it did? Why did it express itself, moreover, when the Cypriot president had a satisfactory (as was written) understanding from De Cuellar and his speech had made a good impression in the UN General Assembly? Why express itself the day after Turkmen's tough speech in the UN? And, above all, why not wait for the Cypriot president's return to Nicosia and be briefed first-hand (and discuss) the latest maneuvers? And, finally, why, with all these above facts, did Mr. Papaioannou choose this tragic moment to express himself?

It is for all these that the people, members of AKEL or not, are awaiting, with heart in mouth, an answer--and, of course, a rectification of the terrible breach which has been "accomplished."

Finally, this must be pointed out, and requires some explanation: The newspapers in Nicosia wrote that before Mr. Papaioannou delivered his unexpected speech, the assistant secretary general of AKEL, Mr. Fandis, made a quick visit to Mr. Florakis. What can one assume? Mr. Florakis approved Mr. Papaioannou's speech (or the positions in the speech)? Or, he did not approve them and Mr. Papaioannou ignored his advice? Who is entitled to rejoice over all this when some light had appeared at the end of the tunnel?

COUNTRY'S LEADING PAPER: GRENADA INVASION IS COLD WAR STEP

Helsinki HELSINGIN SANOMAT in Finnish 27 Oct 83 p 2

/Editorial: "Grenada--New Ammunition for Cold War"/

/Text/ The invasion of Grenada by the United States Armed Forces is the most serious reminder of the nature of the superpowers since the Soviet occupation of Afghanistan in December 1979.

President Ronald Reagan's justification for the invasion of the island state was the same old one, straight from the handbook of gunboat diplomacy. First, the objective was to protect United States citizens residing on the island, and second, "to restore order and democracy."

In the American parlance, "restoration of order and democracy" means the establishment of an at least prowestern, preferably a right wing (military) government in this region.

It is quite clear that the invasion of Grenada will not be able to stand an examination in the light of international law. An American invasion was desired by the neighbors of Grenada, a group of Caribbean island states, whose concerns about the political development of Grenada were easily shared by the United States.

The model of the United States military intervention offers interesting prospects internationally. Next, the little friends of the United States could wish for an invasion of Cuba and Nicaragua. The political development of either country does arouse concern, when examined from a certain point of view.

The Soviet Union also follows corresponding phenomena closely in its neighborhood as we have learned from the events in Czechoslovakia, Poland and Afghanistan. Should the Kremlin, too, listen to its little neighbors and act more frequently than before?

The overthrow of the left wing government of Grenada is related to a broader context, which is not at all pleasant from the viewpoint of the less fortunate countries of the world.

It seems to strongly suggest that, along with the rapid deterioration of international relations, both superpowers are, once again, willing to commit actions they carefully avoided during the best years of detente.

This means strengthening one's own sphere of interests, stifling any political deviations in nearby regions, under the military boot, if necessary.

The action taken by the United States Government will most certainly not encourage the Soviets toward any liberal actions on their own half of the globe. On the contrary, the action by the United States linked to the approaching placement of Euro missiles will probably convince the Soviet Union even more firmly of the necessity of toughness and arrogance in international politics--at least when doing business with Reagan.

The United States president and his advisers must have been well aware of this when the decision to invade Grenada was made. Therefore, it is justified to suspect that the government in Washington couldn't care less about the demand to prevent the outbreak of a new cold war which enjoys wide support at least in Europe.

8200

CSO: 3617/27

QUEST FOR BLOC MONEY SEEN ILL-TIMED AFTER U.S. BASE ACCORD

Athens I KATHIMERINI in Greek 9-10 Oct 83 p 9

[Text] After having signed the agreement for the bases, conscious that it was impossible to refuse, and having thus created among the non-communist section the reassuring impression that the government is not about to break off with the West, Mr. Papandreou and his collaborators devoted themselves with unusual zeal to a course in the opposite direction. Topping the statements and measures related to all this was the television appearance of Mikis Theodorakis in a "tribute" to Leninism on the occasion of the awarding to him of the Lenin Prize in Moscow. A tribute that is as inconceivable for a "third road" socialist "movement," as PASOK likes to refer to itself, when even communist parties have now abandoned Leninism as a useful form for the organization of a Communist state.

In the case of Limnos, which once more was not included in the NATO exercises, Mr. Papandreou stated that Greece maintains very loose ties with military NATO. So that there would be no doubt that the statement did not "betray" the thought of the speaker, yesterday the premier proclaimed his conviction that it was not the installation of the Soviet multiple-warhead Euromissiles that upset the strategic balance in Europe, but that it is the American missiles, which would upset it, if installed. Mr. Papandreou, that is, openly disagrees with NATO, which in December 1979 decided on the installation of Pershing and Cruise missiles for the very purpose of discouraging Russia from unleashing a local, European war carried away by its local superiority in atomic and conventional weapons. The probability of such a Soviet operation was heightened by the invasion of Afghanistan by Soviet troops during the very same month of 1979 and, of course, it was not dispelled by the events which followed in Poland.

Speaking about the EEC, the premier and his collaborators repeat that this is the last chance (!) for the Community to save itself by following the correct path: the one which Mr. Papandreou is supposed to propose during the meeting of the European Council in Athens--of the chiefs of governments and states of the "Ten." PASOK has not disavowed its position, which it officially proclaimed in 1975, that the "EEC is the economic arm of NATO." This makes inconceivable the intention of offering positive advice for the future of an organization with whose counterpart, "NATO," the Greek government has already reached the point of having "very loose ties."

The area, however, where the maneuverings of the government take on an undisguised pro-Soviet image is in the economic field. There was no doubt that the persecution of private enterprise would not only have negative consequences on the course of the national economy and investments, but on the willingness of foreigners to invest in our country. This willingness, which has shown itself in a remarkable way with investments in Turkey, was replaced with a clear rejection of the proposals directed by the government to European and American business circles for investments in Greece. No one was willing to risk his money in businesses in "socialist" Greece. This certainty was observed, with no margin for error, by the minister of National Economy, Mr. Arsenis, during his recent trip to New York.

Surely the government did not have any doubts as to what the answer of the foreign financiers would be when it enacted the measures it did against the businessmen. It needed, however, the denial of Western capital as an added contention in order to place its hopes for substantial investments from the East. These investments, according to the standard procedure of Russia, are made for infrastructure works by the state or organizations of the countries with which the USSR enters into an agreement and constitute economic dependence for the repayment of their value. The aluminum plant, for instance--if it is built--will have Russia and Bulgaria as its only customers. If they do not purchase its product, the plant will be useless.

With the interruption of investment connections with private businesses and the turn towards COMECON, the minister of National Economy arrived at the point of stating day before yesterday that the upturn of the Greek economy will come about as a result of investments by the state and the nationalized sector and not from private enterprise! In view of the fact that the investments about which Mr. Arsenis is talking must be financed by the USSR because the lending by the government in convertible exchange is no longer sufficient to close the gap in the deficit of consumer imports, let alone to finance investment programs to the degree the investments are required, the same degree to which the Greek economy will join the ranks, as an organic member of the socialist, international labor apportionment. The interruption of active cooperation of the Greek economy with Western capital results in making economic relations with "living socialism" totally desirable on an equality basis and acquires great, special weight even in our political affairs. One glance at the list of the Third World countries "aided" by the USSR teaches everything that one needs to know about the kind of exchanges that are demanded.

9731

CSO: 3521/25

ND'S MITSOTAKIS CRITICIZES GOVERNMENT FOREIGN POLICY

Athens AKROPOLIS in Greek 18 Sep 83 pp 1,16

[Excerpt] "Why is Andreas Papandreou undermining Western Europe? Whose interests is he serving by making this policy?"

These crucial questions were asked by New Democracy's parliamentary representative, K. Mitsotakis, speaking on the evening of 17 September to a massive and dynamic gathering of people in Salamis. He also called on the prime minister to state: Does he (Mr. Papandreou) reject the positive policy of President of the Republic K. Karamanlis vis-a-vis the idea of the United Europe?

In his speech, he gave particular weight to foreign policy issues. Referring to the bases agreement, Mr. Mitsotakis stressed that there is no doubt that the agreement, which was signed by Andr. Papandreou after long negotiations, is clearly worse than the agreement initialled in 1977 and the agreement which we had negotiated in 1981 without ending in a signing. This was also the reason why the agreement initialled by the government on 15 July was publicized after an approximately two-month delay, despite the promise it had given that it would announce the text of the agreement in 10 to 15 days. Of course, it initialled only an English text and this was an unprecedented event in the history of international diplomacy. But nothing stopped it from immediately publicizing the English text. The delay was owing to the fact that it hoped the issue would lose its immediate timeliness after a certain amount of time had passed, but also to the fact that it sought to profit at certain points by the Greek translation on what it negotiated.

Indefinite Time

Despite all these, the texts which were finally publicized are clear. It is an agreement of an indefinite time, which may be rescinded after four and a-half years from 1 January 1984 passes, if the government in power then wishes it. Of course, no one can guarantee that PASOK will be in power then--in fact, the opposite should be considered certain--but in the completely unlikely case this should happen, what confidence can the unfortunate PASOK adherents have that their leader will not dupe them then as he is doing today? It would be good for PASOK to lower as quickly as possible the heights of shamelessness which talk about the "struggle which is justified" and the "bases, which are leaving." Does Andr. Papandreou need to regularly call to mind the deception of the people?

Three Points

As for the content of the agreement, I would like at this moment to note three points:

Pasok forsook the Greek identity of the bases, which all the previous governments had safeguarded. There is no Greek commander, but a Greek representative whose only jurisdiction is to administer the Greek personnel; it is not even clarified that the bases are Greek national territory. It is even doubtful whether the Greek flag will wave at the U.S. bases. On this point the agreement is unique--and on this Andr. Papandreou is right when he insists that such an agreement is being signed for the first time. Because even the U.S.-Turkish accord provides for a Turkish commander at the installations.

Abandonment

He even abandoned the U.S. policy, the guarantee, for the maintenance of the status quo in the Aegean, which the well-known Kissinger letter comprised for us. Mr. Kapsis' assertion, that if we seek a guarantee we will become a U.S. protectorate, is laughable. If this were accurate, why did Andr. Papandreou in his famous first interview on U.S. television, on the day the government was sworn in, seek a U.S. guarantee for the Greek borders and repeat the same demand to NATO two months later? And, finally, why does PASOK persist in the unrealistic and untenable opinion that the U.S. bases do not serve Greek interests, nor even the interests of NATO, but only the most specific U.S. interests? Aside from the fact that this assertion is refuted by the preamble of the agreement it signed, if the bases do not serve either the Alliance, which PASOK is not renouncing, or the narrowest Greek interests, then why did the prime minister sign it? Did he sell out national sovereignty for economic recompenses only? And is he ready to sign a similar agreement with the other side if it offers him something more?

And I must make a final observation at this point, continued Mr. Mitsotakis.

In the Chamber

Disengaging the use of the bases from the purposes of NATO, which are not only defensive by definition, but also geographically determined, and which have been tested in action and shown to serve Greek foreign policy in the Middle East, gives the Americans the convenience of using the bases in a wider area; and it is obvious that the meaning of the defensive purpose is unclear and indefinite.

We will have an opportunity in the Chamber to discuss the issue at leisure. But we call the prime minister now to immediately honor the promise he gave two times and proceed to "round tables" on television to brief the Greek people. If he does not, he is himself admitting that he is unscrupulously trying to confuse and deceive the Greek people on this crucial national issue.

The EEC

In addition, referring to our relations with the EEC after the recent Conference for Political Cooperation of the Council of Foreign Ministers at Zappeion Hall, K. Mitsotakis said the following:

Never before--even during the dictatorship--has our country been so discredited or so completely isolated. The vote of censure in the European Parliament is characteristic. Greece was in complete isolation because nearly all of the European socialists voted against it, and it was natural for this to happen since the PASOK government completely differentiated its position against all our partners on basic issues which concerned the relations of the two blocs--it did not make the least effort to reconcile opinions--but especially since it did not stick to the rules of the game, showed antisocial behavior and abused the Presidency, as the London TIMES wrote. Andreas Papandreou must understand once and for all that he cannot, in foreign policy, indefinitely play a scene for domestic political consumption and practice foreign policy on a level of a small branch of PASOK. The glass has overflowed. And our allies in Europe certainly are not able to be fooled.

We Are in Danger

The Greek Presidency, while it was a great opportunity for Greece, is in danger of ending up as a risk for the Community and a tragedy for Greece. Is anyone asking himself why Andreas Papandreou is undermining the United Europe? Whose interests he serves by making this policy? The president of the republic, with his sensational appearance in Strasbourg and the wonderful speech he delivered, placed himself in an absolutely positive position vis-a-vis the European idea and made courageous and correct proposals for the course of the United Europe. Does the prime minister reject this policy? And if he rejects it, what is his own policy and where does he aim?

Toward Elections

K. Mitsotakis then referred to domestic issues, to the economic policy and particularly stressed the very heavy loss our economy is suffering from the utter lack of confidence which has been created between the current government and private enterprise.

Mr. Mitsotakis ended by reporting the following: It is clear that our country is now entering a pre-electoral period. I consider it very possible, as I have repeatedly stated, that the elections for the Europarlament next June will drag along with them the national elections, but I do not exclude the possibility of PASOK trying to hold them even earlier. ND has a duty to be prepared, united and aggressive, to conduct this critical struggle because the next elections will not only decide the fate of our party, it will decide the fate of the republic and Greece.

9247

CSO: 3521/9

GOVERNMENT SLATES ELECTIONS FOR OCTOBER 1985

Athens TA NEA in Greek 20 Sep 83 p 1

[Text] Elections will occur normally, in the fall of 1985. This was underlined yesterday to TA NEA by leading PASOK and government officials, while the government representative, answering questions of political writers, reiterated that "the elections will take place, immovably, in October 1985."

The question was put to the government representative because of the assertions of ND officials K. Mitsotakis and I. Varvitsiotis that the government will hold early elections.

"These two men," said the government representative, "have never been successful in their forecasts! Their present forecast," he added, "carries the same weight as those they made about the 1981 elections."

But, in addition to Mr. Maroudas' statements, authoritative officials from the government and PASOK stated yesterday to TA NEA that the government is not thinking of holding elections before its four-year term is up. What is of interest to the government is to proceed in implementation of its program, they added and stressed.

Elections for the European Parliament will take place in June and elections for the Chamber of Deputies at the end of the four-year term in October 1985.

9247

CSO: 3521/9

PASOK SEEN TURNING MORE TO LEFT; ELECTION SCENARIOS GIVEN

Athens 1 KATHIMERINI in Greek 9-10 Oct 83 pp 1, 15

[Text] PASOK's reelection to power is considered uncertain in the next electoral contest with a 50-50 chance of success. This evaluation, which expresses an impressive attrition of the government in such a short time, was made by the International Research Institutes in the context of a study which highlights the political dangers in 35 countries of the world. The research on the subject was made on behalf of banking organizations and investment consortiums.

In the research, with regard to Greece, three probable scenarios are developed and their effects on the course of our political affairs, the future of our economic policy, the eventual restrictions or liberalization on our trade and international exchanges, are analyzed according to which of the three may become reality.

More to the point, the International Institutes forecast that the current administration will complete its 4-year term; however, the probabilities for reelection are 50-50 according to data 3 months ago. It is observed in the study that economic conditions will not improve sufficiently in the future in order to strengthen Mr. Papandreu's position, but because of confusion within the New Democracy and certain external "dangers," which Mr. Papandreu may perhaps invoke as causes of the problems of Greece, PASOK has reasonable probabilities of winning. Two other alternative solutions--of equal probability--are the election of some centrist coalition and the election of the New Democracy under its own steam.

The First Scenario

More specifically, with regard to the first scenario, with a 50 percent probability of success, the following are observed:

The term of the president of the Republic, Mr. Karamanlis, comes to an end in May 1985 and it is possible that he may be succeeded by a presidential candidate supported by PASOK. It is, however, possible that Mr. Karamanlis may return as a candidate with very great probabilities of being reelected;

The parliamentary elections towards the end of 1985 may give PASOK the majority, but with a lower percentage as compared to 1981, a fact which will allow this party to govern until 1989. There are forecasts that a Papandreu administration after 1985 will be slightly more leftist in its program.

The probability of a PASOK electoral victory in 1985 depends on many factors. The electoral data indicate today that PASOK holds the majority in the preference of the voters. However, the factions within PASOK and the increased strength of the smaller parties of the Center and the Left can very quickly neutralize this standing of the Socialist party. In addition, it is probable that economic conditions may worsen significantly with the result of causing a sudden change in the electoral situation. On the other hand, a different foreign policy could possibly lessen the appeal of both Mr. Papandreou and his party. Political stability in Greece, on the other hand, is a rather unusual phenomenon. Only once in the past, during the ERE [National Radical Union] administrations of Mr. Karamanlis between 1955 and 1963, one party only was in power for 8 years.

Despite the fact that the forces opposed to PASOK are probably sufficient to obtain an electoral victory in the next contest, Papandreou has certain factors going for him. First of all, the New Democracy appears to be weak because of internal factionalism. On the other hand, Mr. Papandreou may find certain "scapegoats," such as EEC, Turkey and the United States, on whom he will place the blame for the failure of his economic policy.

The Second Scenario

The second scenario concerns the administration of a middle-of-the-road coalition with a 25 percent probability for success. In the research it is held that the dulling of the internal cohesiveness of PASOK as well as the decrease in its popularity may lead to the creation of a coalition government of centrist structure, independently of whether its leanings are to the Right or to the Left. Despite the fact that the probability of the fall of PASOK may be so sudden as to dissolve the Chamber of Deputies before the completion of its term, PASOK, in all probability, will remain in power until the elections.

The worsening of the economic situation, the severe turnaround of foreign policy or the factionalism within PASOK will contribute to the probability of its electoral defeat. In this case, the New Democracy must remain solid and the small centrist parties must regain their lost popularity.

By tradition, Greek political affairs do not give immediate priority to keeping in power the same party, a fact that increases the probabilities in this forecast.

It is probable that Mr. Karamanlis will again win his electoral contest with the consequence that the influence of his prestige will increase in Greek political affairs in the eventuality of a middle-of-the road coalition government. If he does not seek reelection, the presidency will be won by a less popular individual, a fact which will bring about a weak government alliance that will be less capable of implementing an economic policy that would cope effectively with the economic problems of Greece.

The Third Scenario

The third probable scenario, with a 25 percent probability for success, is for the power to be assumed by a conservative administration of the Right. Such a

government can come forth either from the New Democracy itself or from a new party which would be formed out of the present splintered center and part of the Right. In this case, PASOK would have already needed to be weakened significantly by domestic problems and it is forecast that it would move substantially towards the Left during the coming years.

There are now slight indications that Mr. Papandreou and PASOK will shift decidedly towards the Left in this phase. Despite the fact that he will face significant pressure for a more leftist position, he will, at the same time, face parallel pressures of equal magnitude to move in the opposite direction. Serious economic problems, or the prospect of an electoral defeat, might convince Mr. Papandreou to make a turn towards the Left without this being absolutely certain, of course. For this reason, having the possibility of blaming EEC, Turkey and NATO for the national economic problems, he will have no need to confront such dilemmas. As long as he remains popular, the prospects of a serious revolt within the party are rather slim.

The Ranking

The same study in rating the political stability of the 35 countries puts Greece in eighth place, below Sweden, France, Canada, Taiwan and Singapore, which belong in Category 1, and Portugal and Italy, which, with out country, are in Category 2. In this category, Greece precedes Belgium, China, Indonesia, South Korea, Saudi Arabia and Venezuela. On the other hand, based on the forecasts of restrictions in business activities, Greece is ranked 17th, last in Category 2, even below Pakistan, Turkey and India.

As a general conclusion of the study of political dangers during the next 5 years, it is emphasized that Mr. Papandreou, in order to satisfy the leftist faction of his party, might take measures which will intensify the conflict with the Right. The increased polarization and political upheaval that will ensue are seen as creating unclear conditions for international investments.

9731

CSO: 3521/25

KKE CADRES PURGED FOR DEMANDING FREE PARTY DISCUSSION

Athens EXORMISI TIS KYRIAKIS in Greek 1-2 Oct 83 p 3

/Text7 According to yesterday's bi-monthly ANDI, 13 KKE cadres and members were recently purged from the Kalamaki Base Party Organization for their mistrust about the causes for the expulsion, some time ago, of 4 party cadres (N. Bistis, Th. Gialketsis, G. Andoniou, and M. Trandalidis).

The 13 brought up the issue of the expulsion for debate but the leadership had decided within the framework "of qualitative improvement" to have a broader discussion, that is, on the whole ideological party platform for the purpose--as ANDI claims--of proceeding with the purging if the 13 refused to apologize.

According to ANDI, the KKE leadership "has ruled that all questions concerning expulsions must be assumed as expressing the overall ideological problems of the members submitting them."

"It appears," ANDI notes, "that the battle for quality cannot of course be achieved through democratic procedure and debate of pending problems within the party, but through purging of those who disagree and the imposition of silence on all those who express different opinions."

7520

CSO: 3521/27

ND INTERNAL STATUS, FACTIONAL GROUPS ANALYZED

Athens TO VIMA TIS KYRIAKIS in Greek 2 Oct 83 p 7

/Article by Mikh. Dimitriou: "The 'Sharks' Who Will Eat Up the 'Dolphins'" 7

/Text 7 In the sea of the New Democracy the "dolphins" swim unconcerned while certain "sharks" threaten to devour them!

With this graphic comparison, political observers commented on the "unforeseen developments" in the major opposition party where an atmosphere of "expectation" and waiting "for decisive developments" prevails lately. They all expect something--most of them, a "deus ex machina."

In any event, those who follow the developments in the New Democracy Party see that at the moment the battle of the dolphins appears to be entering the homestretch, some younger people are moving "secretely but energetically" and one cannot rule out the possibility that the "young" (sharks) will eat the "old ones"--now--(dolphins).

This theory coincides with reports that certain ND cadres such as Miltiadis Evert, Giannis Palaiokrassas and Giannis Varvitsiotis appear to have gained ground--while many deputies either decline to side with one or the other dolphins or "raise a flag of independence."

In other words, an increasing number of ND deputies decline to declare themselves, since "someone else moves the strings of power" inside the party and (most deputies) promise support to...all dolphins.

However, with what we know at this moment one can set down two new and interesting elements:

With his speech at the Festival of the ND Youth Organization, E. Averof strengthens the rumors that he has no intention of staying long at the leadership of ND especially since he foresees that the parliamentary election will take place next year.

The Mitsotakis "circle" has started an open campaign with two aspects: on the one side it says that Averof will withdraw soon and on the other they say that they have "secured the support" of 60 to 70 deputies.

Mitsotakis' opponents claim that a "foundry of rumors" has been set up to aid this particular dolphin.

For example, it is noteworthy that Giannis Boutos, in a statement to VIMA, denied that he has agreed to any formula for a controlled succession to the leadership of ND with K. Mitsotakis at the head and Kon. Stefanopoulos and Boutos as vice chairmen.

Similar assurances were given to VIMA from the Stefanopoulos associates.

By contrast, circles close to Mitsotakis are giving assurances that the problem of succession has been solved "on the basis of what has been agreed."

However, since there is no question of ideological differences and open democratic processes, there are many doubts about the outcome of the succession fight.

"The Right and the leading personalities associated with it"--comments a veteran politician--make deep cuts in the leading profile of their political vehicle when they need a radical change of its facade. Example: what happened in 1958. At that time the dolphins were also devoured. Also, in 1967 it was reaffirmed that the "seniors", the generals that is, worked in the end for the "juniors", for the colonels.

It was only natural that the recent movement around the question of a possible resignation of E. Averof from the chairmanship of the party--in spite of denials by his close associates--should set off a series of discussions about groupings, bosses, alliances, and arrangements among deputies but also among leading personalities of the party.

In spite of the fact that no deputy and no "faction" appears inclined to openly raise the question of leadership--which means that the developments, in terms of time and process, are largely in the hands of Averof--the New Democracy Party as a coalition of personal interests and viewpoints, lately presents an interesting picture with influences, ambitions and new formations.

The "Old Ones"

The present "stratification" of persons and views around E. Averof is separated into many and interesting levels.

First of all, is the so-called group of the "old ones" headed by deputies Konstandinos Papakonstandinou (deputy at large), Georgios Stamatis (Aitolokarnania), Konstandinos Laskaris (B! Athens), Anastasios Balkos (Prevea), Athanasios Tsaldaris (B! Athens), Athanasios Taliadouros (Karditsa), and the two former Rallis supporters, Isaak Lavrendidis (Serres) and Dimitrios Davakis (Lakonia).

They are called the old ones not only because of the age of most of them but also because of their conservative attitude and their undisguised enmity of

some of them against every new deputy.

They appear to be loyal to Averof; they are the initiators of the anti-communist themes and old-rightist trends; and they seem to be "constantly worried" about the class confrontation which supposedly is forthcoming.

In any event, Lavrendidis and Davakis are said to have "strong friendship" for Rallis; G. Stamatis is said to believe in the Mitsotakis "constellation", while the others have not expressed their views on the "dilemmas" of the Averof succession or do not want to think about them.

Under K. Papakonstandinou, a group of "neo-conservatives" who aspire to appear as "renovators" is active trying to look as such. This group is headed by Stavros Dimas, deputy of Korinthia, who is "better educated," has served as a minister and has "wider connections" and sympathies. His enemies, however, who reject any leadership ambition on the part of Dimas, call him "deputy-leader of the deputy-leader." This group is composed of deputies Nikos Gelestathis (Fokis), Dimitrios Bokovos (Thessaloniki), who claims to be a good editorial writer, and Pavlos Sarlis (Piraeus). A fifth one, the extreme-rightist Georgios Manikas (Fthiotis), is rumored to have moved to the column of Mitsotakis supporters.

Another group, subdivision of Averof's supporters with spiritual ties to K. Papakonstandinou but also with Isaak Lavrendidis, is composed of deputies who cooperated closely with the late Khristoforos Stratos. Some conservatives and erstwhile pro-royalists have "taken off" into clouds of idealism while others are more realistic and with unquestioned anti-junta titles.

Former minister Dimitrios Nianias (Lesvos) is reported to have joined the friends of Mitsotakis, the former minister Aristeidis Kalantzakos is trying to keep good personal relations with all dolphins (even with his former local antagonist G. Boutos (Piraeus), the former supporter of Mitsotakis, Khristos Kotopoulos (Aitolokarnania) and Giannis Stathopoulos (Lakonia). The "last in line" Athanasios Krikos (B! Athens) is rumored to see with favor a possible leadership under Mitsotakis.

One of the top men in the old group is the former minister Alexandros Papadogonas who seems to have personal ambitions which he discusses with others having the same views but makes no effort to promote with his activities in the Chamber of Deputies.

It is a fact that most of the members of this conservative group think about the conservative ideas not only by being "oriented toward London" /Note: the king/ but also through their trips to other countries thanks to their selective participation in the Foreign Relations Committee of their party.

E. Averof's circle of influence within the party is of course much wider, and includes several other deputies who have tied their fate to that of E. Averof

even during the time of "Rallis' omnipotence." Most of them will support Averof in any open challenge or attempt to overthrow him, but it is entirely uncertain whether all of them "directed votes." In any event, most are staunch friends of Averof--beyond pro-royalism, etc.--and will "follow instructions" from the present leader of the ND on future developments and their preferences within the party.

Only three of them are supposed to lean toward Mitsotakis. These are Andonis Samaras (Messinia), the so-called "hardliner socialite," Sotiris Khatzigakis (Trikala) who in the past, together with Giorgos Tzitzikostas from Salonika served as Averof's standard bearers, and Anna Synodinou (A! Athens), the "tragedian of the party's women's section."

Among the undeclared friends of Averof in addition to Tzitzikostas, are Nikos Anagnostopoulos (A! Athens), Ioannis Vagiatis (Kozani), A. Eustratiadis (Larisa), Dimitrios Theokharidis (Florina), Levteris Kalogiannis (Ioannina), so called by Averof's confidants as the "right-hand man," Khristos Katsigiannis (Attiki), Athanasios Kondaxis (Arta), Dimos Manousakis (Pella), Kharis Papadopoulos (Kilkis), the "hardliner of the north," Giorgos Rodiou (Xanthi), Konstandinos Simaidforidis (Kastoria), Konstandinos Tsouplakis (Khalkidiki), Dimitrios Katzidimitriou (Imathia), and the "center-leaning rightist" Panagiotis Katzinikolaou (Evros).

...And Others

Lately the (directed) discussions in the corridors of the Chamber of Deputies and at cocktail parties say that "Mitsotakis has lots of appeal in the party and in the public," but his critics argue that "this will soon blow over just as it happened last November."

The fact remains that while the Mitsotakis friends say that he has "gained several points" lately, his critics accumulate arguments to combat his leadership ambitions or to knock them down as harmful to the party's governmental prospects and to the country's political life.

Some reports indicated that Mitsotakis' associates were "determined" to raise the question of leadership in September. But today, the same persons say that "it's not possible to go to elections under the present leader" /Averof/.

The declared supporters of Mitsotakis (who was born in 1918) include deputies "of old center origin" but also "hardline" rightists known in the past for their favoritism. These include--as we have already mentioned--G. Stamatis, D. Nianias, G. Manikas, S. Khatzigakis, A. Samaras, A. Krikos, and Anna Synodinou. To these we may add as "declared" Mitsotakis supporters the deputies Stelios Alamanis (Karditsa), Ioannis Serqakis (Lasithio), Giannis Kefalogiannis (Rethymni), who is regarded as the "captain of the Mitsotakis partisans," Manolis Kefalogiannis (Irakleion), Georgios Sourlas (Magnisia), known as "a rightist by tradition," Vasilios Mandzoris (Arkadia),

in opposition to Stefanopoulos' friend Nikolaos Kalteziotis, Angelos Valtadoros (Imathia), Ilias Vezdrevanis (Thesprotia), and Theodoros Papadopoulos (Serres).

Among the older supporters of Mitsotakis are Khristos Fotopoulos, the friend of the late Stratos, the "unrepentant Rallis friend" Dionysis Livanos (Aitolokarnania), the old friend of Kanelopoulos, Panagiotis Klis (Evros), who is reported to look sympathetically at the idea of a Stefanopoulos candidacy and the Averof friend Nikolaos Kleitos (Serres), have now reportedly adopted a more reserved wait and see attitude on Mitsotakis.

It must be noted, however, that those deputies who are relatively more "noisy" as well as others of various categories do not follow Mitsotakis blindly--or any other dolphin or shark for that matter--in every decision or initiative such as, for instance, an open challenge to Averof or a threat to leave the party, etc.

The preference in principle (at least the open preference because there are so many...rumored) means that they consider one or the other dolphin as more suitable to be the party leader under present conditions and provided that "the intraparty developments are smooth." There is always the possibility that Averof may withdraw voluntarily and to have a planned "democratic procedure" (such as the support of one candidate by four to five leading cadres "directed from above"). And something like this will, of course, change radically the current picture and correlation of forces.

The Macaroni Eaters

One often hears complaints among those who support the candidacy of Kon. Stefanopoulos that "we do more than he himself does to become the leader." This reserved attitude of Stefanopoulos even in referring to his leadership ambitions albeit for a more distant future (in contrast to what Mitsotakis does) has caused many disappointments and certain differentiations.

The reserved "leadership" activities of Stefanopoulos (born in 1926) and a certain reluctant disposition in the "preliminary score" of the succession give food to rumors that Stefanopoulos is bargaining the question of leadership for benefits which indicate limited ambitions.

Currently known as "Stefanopoulos supporters" are the following: Dimitrios Vrettakos (B! Athens), Theofilos Gatsos (Pella), Kon. Gougourelas (Pieria), Theodoros Damianos (Drama), Nikolaos Kaltetziotis (Arkadia), Apostolos Kratsas (B! Athens), Georgios Missilidis (Khios), Georgios Mountzouridis (Argolis), Nikolaos Bekiris (Akhaia), Panourgias Panourgias (Fthiotis), Vasilis Papageorgopoulos (Thessaloniki), Levteris Papadimitriou (Arta), Kon. Paparrigopoulos (B! Athens), Froso Spentzari (Ileias), Aristeidis Tsiplakos (Voiotias), and Aristotelis Pavlidis (Dodekanisos).

Nevertheless, certain stalwart supporters of Stefanopoulos express doubts on the full loyalty to their favorites: K. Gougourelas, Th. Damianos, Pan. Panourias (because of his strong devotion to Rallis) and Ar. Paulidis who is lately regarded as a supporter of the theory of...uncommitted.

In the event of a "smooth succession," Stefanopoulos is favored in the circle of Averof supporters headed by Kon. Papakonstandinou and others, who would like to vote against Mitsotakis.

Among former Mitsotakis supporters who now support Stefanopoulos is rumored to be Panagiotis Klis. By contrast, Stefanopoulos seems to have lost--at least in public--deputy Angelos Vlachothanas (Evoia).

Sympathetic to Stefanopoulos are supposed to be the following: Thomas Alexiou (Xanthi), Ilias Vougiouklakis (Piraeus), the so-called "tough guy," Nikolaos Katsaros (Larisa), Anna Psarouda-Benaki (at large), and Dimitrios Frangos (Attiki).

All of the above are sympathetic to Stefanopoulos under the conditions we mentioned, including today's loyalty to Averof, loyalty to the unity of the party, but also to the ultimate obedience to any instructions "from above" /from Karamanlis/.

Among those who are sympathetic to Stefanopoulos in his rivalry with Mitsotakis is a group headed by the "youngsters" (or "young and immature" according to their opponents) Andreas Andrianopoulos and Vasilis Kondogianopoulos. They "ponder" about the "neoliberal thinking," they are accused of making too much noise, but no one denies their seriousness or their good personal connections and ambitions.

Associates and fellow diners at macaroni dinners and with articles about neoliberalism are, among other Rallis supporters, the deputies Themistoklis Sofoulis (Samos) and Kostas Giatrakos (Lakonia), who is also a warm supporter of Stefanopoulos.

Altar Boys

In spite of rumors, Giannis Boutos does not seem to have abandoned his personal ambitions, although his critics believe his old group has shrunk. The reply to these critics is that the ideological and organizational platform Boutos had proposed in the past as necessary for the party's new role has won many supporters so far.

However, even Boutos' critics (he was born in 1925) do not question that he was and continues to be a "strong factor in the ND" in spite of the fact that according to his friends "he does not do anything to keep his leadership ambitions alive. His good appearances with statements and speeches are spoiled by his inflexible character and his passive conviction that the problem of leadership will be influenced strongly from above" /Note: from

Karamanlis⁷.

Although Boutos met Mitsotakis lately and had a long talk, he is expected to use his influence in favor of Stefanopoulos. By contrast, the relations between Boutos and Rallis do not seem to be particularly warm lately.

From the group of the Boutos supporters greater ambitions for the future are rumored to have the Rallis friend Tzanis Tzanetakis and the secretary-general of the Parliamentary Group, Ioannis Paleokrassas, who is accused of "playing on every tableau but working only for himself."

Although Boutos is regarded as expressing specific "center-right" tendencies, his close associates who now include the Karditsa Deputy Georgios Papaevthimiou --earlier a deputy of the National Array--have not been chosen on the basis of common ideological orientation.

Loyal to Boutos is above all the Kavala Deputy Giorgos Panagiotopoulos and certain others who are vacillating between the advice from George Rallis and their preference for Stefanopoulos.

The Evros Deputy Stavros Tataridis appears to lean in the direction of undeclared Akhileas Karamanlis (Serres), together with Panagiotis Koutras (Thessaloniki) and Georgios Moutsios (Thessaloniki). These are not the only ones who remain uncommitted from the group of old Rallis supporters (and of the Boutos faction) and who also remain careful in their discussions, at least in the legislature. There are also several others who love macaroni dinners and who worry about the future of the party in discussions held in the northern suburbs.

In the event Boutos becomes a candidate he will put some of them in a dilemma. Some of them believe that if Stefanopoulos is to lose out to Mitsotakis, one could support as a "third solution" either Rallis or Miltiadis Evert.

This group of uncommitted and "unruly" deputies includes some of the "younger, educated and decent" deputies of the ND such as Anastasis Papaligouras (Korinthia), Nikos Anastasopoulos (Messinia), Giorgos Souflias (Larisa), Konstandinos Printzos (Magnisia), Kostas Sapsalis (A! Athens), Vyron Polydoros (B! Athens), and D. Livanos (Aitolokarnania), the so-called "cook of the political backstage."

Close to them are some unrepentant friends of Rallis such as Alexandros Avramidis (Kilkis), Sotiris Papapolitis (Piraeus), who is regarded as the "uncommitted among the uncommitted," Sotirios Kouvelas (Thessaloniki), who is accused that "he has become arrogant since the Thessaloniki municipal elections," Dimitrios Kopelouzos (Kyklades), who is regarded as an altar boy for Paleokrassas.

Another deputy, Thomas Khoutas (Aitolokarnania), is rumored "to have begun

leaning toward Mitsotakis."

In favor of Mitsotakis is rumored to lean now the former deputy minister Mikhalis Papakonstandinou, while by contrast Sotirios Gikas (Kerkyra) is included among the Stefanopoulos sympathizers.

It is said, however, that in the event a Rallis candidacy is promoted as a necessary solution or an Evert candidacy as the only one, most of the Stefanopoulos supporters will vote obediently in this direction without demur, leaving our present favorite for whom apparently they have now less enthusiasm than before.

The "Outsiders"

In addition to Ioannis Paleokrassas, the sharks who may threaten the dolphins in a confrontation for the party leadership (either in a vote or behind the scenes) we find two more ND cadres: The former minister of education Giannis Varvitsiotis and the former minister of finance Miltiadis Evert. In contrast, however, to Varvitsiotis, who appears to have a "governmental view of party activity," Evert remains reserved.

Varvitsiotis, who is reported to have as a loyal associate the conservative deputy from Fthiotis Athanasios Xarkhas, is the one who "propagates" the view that the party "today has a worthy leader, the patriot and democrat Evangelos Averof."

In spite of the successful involvement of Varvitsiotis, in the opinion of many in the party's regional organization one is justified in assuming that his frequent promotion by Averof is due mostly to his utilization as a willing counterweight to the dolphins and as a reward for the past loyalty during the "difficult times of the Rallis rule."

The outsider leadership candidacy receiving considerable attention is that of Miltiadis Evert who, without opposing Averof, keeps his distance following his "systematic cold-shouldering." The Averof circle has rejected Evert's proposals for the organizational modernization of the party and also appears to see with satisfaction the "repeated efforts to harm Evert's public image."

This opposition from within has reached the point of "systematic mudslinging," according to Evert's close associates. These efforts will fail because Evert is "the last person who can be accused of favoritism for big business."

The supporters of Evert's outside candidacy for the ND leadership count on his young age (born in 1939), the support of the party's popular base, the "positive record of each ministerial position he has held," and "his ability to select and listen to his associates."

In any event, the "clearcut" but also flexible rightist Miltiadis Evert has

lately submitted to Averof a set of proposals for ND's ideological identity. But Athanasios Kanellopoulos (Ileia), who is of a centrist origin, appears to prefer a more conservative approach. Kanellopoulos, who is Averof's right hand on questions of ideology, farm policy, and economics--and who is mentioned as a candidate or as a factor in the future succession game--is regarded as a candidate for the position of the party's deputy leader under certain conditions.

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CSO: 3521/27

COUNCIL OF STATE PARTISAN PROMOTIONS OPPOSED

Athens AKROPOLIS in Greek 22 Sep 83 p 8

[Text] The first reactions of supreme magistrates to the partisan promotions made by the government in June to fill vacant positions in the Council of State Presidency, violating the line of seniority, have begun.

Thus, the councilor of state first in seniority, Kl. Dokas, who the Council of Ministers failed to promote to one of the three vacant positions of court vice-president, has made an appeal against the promotions by the government to fill the positions in the Council of State Presidency.

He is maintaining, among other things, that there is no law which stipulates, as the constitution clearly orders (Article 90, Paragraph 5), that the promotions will occur. Consequently, as long as such a law has not been issued, he points out, there is no designation of guarantees for appraisal of the qualifications of the supreme magistrates considered for promotion to fill the vacant positions in the Presidency.

Mr. Dokas also cites Article 20 of the constitution which refers to the right to a hearing. And while, he maintains, this right is exercised by the interested party in any disciplinary case before the Disciplinary Councils, it is not exercised by the magistrate judged during promotions.

Mr. Dokas' appeal will be discussed in the full session of the court on 25 November 1983.

Omissions

As is known, following the retirement of Ang. Iatridis because of the age limit, PASOK promoted to the vacant position of president of the Council of State the second vice-president, Them. Kourousopoulos, passing over the first vice-president, Athan. Tsoutsos.

It also promoted to the three vacant positions of Council of State vice-president G. Skourtsis, K. Lassados and Vas. Rotis, fourth, fifth and seventh in seniority respectively, passing over their seniors Il. Dokas, Ir. Isik'itiras and Pan. Makropoulos who are first, second and third in seniority respectively.

As is known, the same method was applied by PASOK in the Areios Pagos where it passed over three vice-presidents and three Areopagites and made G. Konstas president of the court; as a result, Areopagites senior to him are resigning and a total uproar is being created around the issue.

PCP CENTRAL COMMITTEE COMMUNIQUE

Lisbon AVANTE in Portuguese 29 Sep 83 p 3

[Text of Portuguese Communist Party Central Committee communique, released following the plenary session held on 26 and 27 September 1983]

[Text] Following the meeting of the PCP [Portuguese Communist Party] Central Committee last Monday and Tuesday, Comrade Alvaro Cunhal, secretary general of the party, held a press conference to summarize the conclusions of the plenary session, the final communique from which appears below. Cunhal was accompanied by Jorge Araujo, member of the secretariat, Jose Casanova, alternate member of the Political Commission, and Vitor Dias, alternate member of the Central Committee.

Several questions were addressed to the secretary general, seeking to clarify how the party proposed to conduct the struggle against the government policy, which the Communists consider disastrous for the country, and what alternatives the PCP offers to this policy.

Cunhal stressed that the PCP struggle is being conducted strictly within the framework of democratic legality and respect for the constitution. In turn, he accused the government of respecting neither. He added that the Communists are not limiting themselves to playing an opposition role but are intervening in national life to solve the people's problems--in the factories, on the farms, in the Agrarian Reform zone, in the autarchies and in such national institutions as the Assembly of the Republic.

Cunhal said further that since the power of democracy is very great, he could foresee that before very long the correlation of forces would be against the government and would permit a democratic change.

The PCP secretary general disputed the "inevitability" of the government measures and the "inevitability" of the conditions which the government accepted in its negotiations with the IMF. He noted that the successive governments had created the conditions which made such measures seem inevitable, with the systematic destruction of the economy, of industry and of agriculture. He also stressed that in the credit negotiations--and while no measures are being taken to deviate from the policy of disaster--the Portuguese party did not act patriotically in defense of the nation's interests because the interests of the government and of big capital are in harmony with the interests of the IMF and the demands of the latter.

The PS-PSD government's policy of capitalist recovery is leading Portugal to disaster and bankruptcy.

6. Seeking to obtain imperialist support for such a policy, the PS-PSD government is intensifying Portugal's dependence. More and more concessions are made to the IMF's heavy demands. The disastrous program for admission to the Common Market benefits the multinationals. New and dangerous military concessions are negotiated, jeopardizing the security, tranquillity and peace of the Portuguese people. Portugal is committed to the imperialist policy of provocation and aggression--specifically of the Reagan government and the more reactionary NATO circles--responsible for the aggravation of international tension, the intensification of the arms race and the increasing danger of nuclear war.

7. The Central Committee emphasizes that it is necessary and possible to save the country from poverty and hunger, from disaster and bankruptcy, from government totalitarianism, from dependency and war.

It is entirely untrue that, as the government declares, its measures are inevitable and there is no alternative to them.

There is a policy capable of leading the country out of the crisis and of solving the great national problems, within the framework of the democratic conquests of the April revolution and the democratic regime consecrated in the constitution. It is not only necessary but possible to increase production, vitalize industry and agriculture and all economic activities, improve the living standard of the Portuguese people, reduce the foreign debt and insure national independence and peace.

To do this, it is essential to mobilize the country's resources and productive energies, to support all types of economic undertaking without discrimination, to relaunch the great programs in the nation's interest, to expand the domestic market and to diversify foreign markets, with the creative intervention of the workers.

The PCP, which has long offered the necessary policy and the specific solutions to overcome the crisis and open the way for development, will continue to pursue its clarification activities to win over the Portuguese people.

8. Events have confirmed the PCP's opinion that the PS-PSD government is doomed to weakness and to failure. There are several contributing factors: the aggravation of the crisis provoked by the government policy; the drastic reduction of its social, political and electoral base; the internal disagreements between the two coalition parties, within each of those parties and between each party and its base of support; the government's contempt for the democratic institutions (Presidency of the Republic, Assembly of the Republic, courts, local governments), whose functions it attempts to undermine; the difficulties in carrying out the plan to destabilize the armed forces and, above all, the struggle of the working class and the popular masses, the development of which is necessary and inevitable.

9. The Central Committee confirms the united will of the PCP, its readiness to join forces with all democrats and patriots, without discrimination, who wish to work and to act to solve the nation's serious problems, within a regime of democracy and national independence.

Communique

1. In its plenary session of 26-27 September, the Central Committee examined the development of the political, social and economic situation.

2. Day by day, the facts confirm that, against the desire for democratic change expressed in the 25 April elections, the policy of the PS-PSD [Socialist Party-Social Democratic Party] is one of continued intensification of the rightist policy of the AD [Democratic Alliance] government. Its basic objective is not an end to the crisis and the economic recovery of the nation, but the destruction and liquidation of the great democratic conquests of the April revolution, consecrated in the constitution (specifically the nationalizations and agrarian reform), and the restoration of the power of the monopolies (associated with imperialism) and the large landowners. As the prime minister of that government, the secretary general of the PS revealed himself as a politician for big capital, leading the forces of the Right.

3. The Central Committee examined the extent and the significance of the government measures that resulted in a brutal deterioration of the living standard of the workers and the Portuguese people in general. The most serious aspects are wage disputes, wages in arrears for tens of thousands of workers, the elimination of social benefits, the theft of most of the 13th month, the unsupportable increases in prices and taxes, mass layoffs and unemployment, the dismantling, financial ruin, "deactivation," bankruptcy and closing of companies, abandonment of agriculture--while the country's resources, the economy and the public money are being delivered over to the great capitalists.

4. To impose the policy of capitalist recovery, the PS-PSD government seriously violates constitutional order and democratic legality and directly violates the liberties and rights consecrated in the constitution. It attacks the democratic nature of local power, it disregards the Assembly of the Republic and attempts to limit the rights of the opposition; it instrumentalizes, governmentalizes and partisanizes the mass media; it uses violence against the workers, the farmers and the people; it reinforces the special agencies of repression and organizes political intelligence services.

Authoritarian and repressive measures leading to government totalitarianism appear with increasing frequency in the orientations, plans, decisions and measures of the PS-PSD government.

5. The Central Committee asserts strongly that the policy of the PS-PSD government, continuing the practice of previous governments which are largely responsible for the crisis which the country is experiencing, will not only not lead us out of the crisis but is provoking and will provoke its further intensification.

Industrial and agricultural production is declining. Industrial, service and commercial firms went under in the crisis and are closed. Agricultural ventures did not survive. Small and medium farmers, merchants and industrialists are headed toward failure and bankruptcy. The possibility of dealing with the foreign debt is narrowing. The foreign debt and the corresponding debt service have risen alarmingly and are absorbing more and more of the nation's resources, strangling the Portuguese economy and threatening national independence itself.

In all aspects of this activity and this struggle, it is vital to strengthen the unity of the workers, the farmers, the various classes and antimonopolistic strata, as well as the women and youth.

The Central Committee asserts that one of the primary tasks of the Communists in the unitarian organizations is to contribute to their unity, autonomy and democratic nature, as well as to dynamize the movement of the workers and the popular masses.

10. The Central Committee stresses the need to develop, on all fronts, the resistance and the struggle against the antipopular, antidemocratic and anti-national policy of the PS-PSD government. The Central Committee calls to the working class, the indisputable vanguard of the entire popular struggle. It calls to all the workers. It calls to small and medium farmers, youth and women, intellectuals and technicians, small and medium businessmen and industrialists, to the most disadvantaged classes, such as the retired, pensioned and disabled.

The mass struggle continues to be the vital force capable of bringing about a democratic alternative and a democratic policy.

11. The Central Committee declares that, in the existing situation, the political and organizational reinforcement of the PCP, the broadening of its influence with the masses and of its intervention in the nation's life, is a decisive condition for the defense of the interests of the people and the country, the emergence from the crisis, the safeguarding of the democratic regime and of national independence.

Taking an accounting of the "Festa do'Avante'" and its significance in the nation's political life, the Central Committee concluded that it was a powerful expression of the organized strength, executive capacity and mass influence of the PCP and of the will of the workers, the Portuguese people, to defend the Portugal of the April revolution, its conquests, the democratic regime, national independence and peace. The silence which the government attempted to impose on this great PCP event, specifically through the censorship of the RTP [Portuguese Radio and Television] did not stifle the effect of the Festival and the huge and exhilarating rally on public opinion and on the national political situation.

The Central Committee salutes all the members and friends who, by their efforts and their talents, made this notable party event possible, this event which was also a confident affirmation of the democratic Portugal and the ideals of socialism and communism.

12. Studying the preparations for the 10th Party Congress, the Central Committee confirmed that it would be held in the city of Porto, and announced that it will take place (on a date now corrected) from 15 to 18 December 1983.

27 September 1983

Central Committee of the Portuguese Communist Party

6362

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PSD SECRETARY GENERAL ON PARTY LEADERSHIP

Lisbon O JORNAL in Portuguese 23-29 Sep 83 p 5

[Text of interview with Antonio Capucho, secretary general of the Social Democratic Party, by O JORNAL, date and place not specified]

[Text] Antonio Capucho is secretary general of the PSD [Social Democratic Party]. A major force on the party structure, with "believability" in public opinion, he has become, for most of the PSD leaders, the man to "bring down."

In an interview, he said the possibilities "were infinitesimal" that Mario Soares would not be elected. The error was seized upon, even devoured, by his adversaries.

Capucho was coleader with Sa Carneiro; he helped to bring down Pinto Balsemao and to elect Mota Pinto. He is a cold, rational politician, and some Social Democrat leaders have trained their sights on him. Up to now, however, Antonio Capucho has never lost.

[Question] Doctor, precisely what did you say in that interview that made you the target of your party's leaders?

[Answer] The item in that interview which was attacked the most was a reply that was taken out of context when it was reported by a news agency, making it appear that I consider the victory of a certain candidate as absolutely inevitable and that the chance of his defeat is minuscule. I have already explained that this cannot be taken out of the context of the reply in which it was included, which was that any candidate supported by the current coalition of the Center Left was almost certain to win. Just this.

[Question] But isn't that candidate obviously Mario Soares?

[Answer] I do not think it is obvious that it will be Mario Soares. It will be the candidate who reaches the second turn with the best chance of being supported in that second round.

Is Mario Soares the Candidate?

[Question] What did you have in mind with such a statement at that time?

[Answer] Absolutely erroneous and Machievellian theories have already been invented. I had no particular motive. I think that in the interview, which was basically about the presidential elections, I did not deviate one millimeter from the official positions of the party. Anyone who reads the interview can confirm this. Just as stated in the theses of the Montechoro Congress, I think the party should present its own candidate, admitting the possibility of negotiating with our partners in the coalition, inasmuch as this is included in the agreement with the Socialist Party [PS].

[Question] A regime agreement?

[Answer] The agreement which we signed with the Socialist Party cannot strictly be considered a regime agreement, but it includes a paragraph regarding the presidential elections. It insures that each party may present its own candidate and admits the possibility of an understanding for a common strategy in the presidential elections.

[Question] And when would this have to be done, in terms of "timing"?

[Answer] Some time before the presidential elections. I think the next PSD congress will have to make a pronouncement on this matter, all the more because the National Council which met last weekend did not come up with anything else. Basically, it reaffirmed the conclusions of Montechoro; it did not say much more. It only stressed the necessity that the party adopt its own strategy and present a candidate for the first round who has a chance of winning.

[Question] How? Win how? Do you believe this?

[Answer] I believe it. Journalists tend to look at the Portuguese political scene right now and project it to 1985, and this is precipitous. It is well within our capacity to come up with a winning candidate.

[Question] Do you agree with Mota Amaral's statement that anyone who has already begun to run for the presidency could run out of steam?

[Answer] It is a golden rule in middle distance races not to sprint in the first 100 meters.

[Question] Do you mean that Mario Soares is sprinting?

[Answer] It has nothing to do with the strategy of the Socialist Party and I do not agree that any clear strategy has been worked out that Mario Soares will be the presidential candidate. The PS has never said this. This is an internal matter for the Socialist Party.

[Question] But doesn't the entire country know?

[Answer] I don't know of any PS decision in this regard.

Cut Off the Head

[Question] I don't think the attack on Dr Antonio Capucho inside the party has to do with the presidential issue....

[Answer] I feel it has nothing at all to do with the presidency. In the previous political leadership, the target was Dr Pinto Balsemao. It just happens that in this one, and for various reasons, I am.

[Question]...but with all the power that Antonio Capucho has had within the party...

[Answer] In terms of power, although the issue should not be put exactly this way, I want to tell you that I have much less power in the PSD than is thought. It is said that I am in a position of command or direction with regard to the party structures. This is not the case. No district organization, for instance, can intervene in my behalf in local elections or request that any campaign be developed in my favor, or in anyone's favor. And because I do not behave this way, I suppose that some of my prestige derives from the fact that I do not meddle in this type of activity. I have power within the party, obviously, I do not deny it, but it is power which emanates from democratic elections and is basically a result of a certain stability which I represent within the PSD. Since 1975, when I was named assistant secretary general, I have exercised functions with one or another individual in the party machinery as set up, And I have thus achieved a certain stability in the party. I think I have performed my job correctly, with respect for the party structures, and that I have won a certain amount of support.

[Question] And hostility...

[Answer] Obviously. A certain amount of support generally and a certain amount of hostility from anyone who has publicly asserted himself as an alternative to my party leadership. The best way to attack and control the party leadership is to cut off the head.

[Question] Do you intend to run for the office again?

[Answer] I haven't the least idea. I am not in the least bound to the post and I even think I could let myself be tempted to try out another spot.

[Question] For example?

[Answer] A change of air.

[Question] In what sense?

[Answer] I won't say anything more.

[Question] Of political air?

[Answer] A change of air in my party activity.

Who Gives Orders in the PSD?

[Question] Who gives the orders in the party? Is it the chairman of the Permanent Committee? The secretary general?

[Answer] No, the powers are actually shared. There are three basic sides. First, and for the first time, there is a party presidency which is not connected with the daily activity of the party. This has never happened before now, which is why I have advocated that the next chairman of the Permanent Committee be someone named by Professor Mota Pinto and by the president of the party, to establish this connection. Next, there are the functions basically linked to the party's internal activities and I am involved with these functions; these are statutory functions, although broadly decentralized, such as the socio-professional structures and the organizations in the autarchies. Finally, the

third side in the functioning of the party is represented by the chairman of the Permanent Committee. This must be someone with considerable time available to him and has more to do with the outside functions of the party: the party with the government; the party with the parliament; the party with the public; for example, he deals with the press. This is the responsibility of the Permanent Committee; I do not want these functions and I understand that it must be someone who is well qualified and trusted by the party presidency, specifically by President Mota Pinto, to exercise them.

Personal Power

[Question] Do you acknowledge that the specific functions of the secretary general are a huge lever for personal power?

[Answer] I have never used them in this way and so I do not see them as such.

Mota Pinto Leader

[Question] Finally, do you also think that Professor Mota Pinto should assume the sole leadership of the party?

[Answer] Professor Mota Pinto is the leader de facto, and if he is not the leader de jure, it is because he did not want it; he refused to assume the leadership formally and, to cement party unity, he called upon Rodrigues dos Santos, sharing the vice presidencies with Dr Nascimento Rodrigues and Eng Eurico de Melo. But I also agree with Professor Mota Pinto that this is not the issue. I see no reason to change this arrangement at this time, and from a statutory standpoint it would be extremely complicated to do.

[Question] Dr Capucho, you were in the government with the AD [Democratic Alliance] and today they are calling you the most "Socialist" PSD minister. Do you think it is easier to work with the Socialists?

[Answer] Up to now I have not had any difficulties at all working with the Socialists, although we have had our problems.

[Question] And with the Christian Democrats?

[Answer] I have had some difficulties.

6362

CSO: 3542/7

KARTAY CALLS SODEP BULWARK AGAINST COMMUNISM, EXTREMISM

Istanbul CUMHURİYET in Turkish 14 Oct 83 p 7

[Article by Sedat Acar: "Kartay: Social Democracy is a Bulwark Against Communism"]

[Text] SODEP general chairman Kartay stated, "The three parties participating in the elections all support this economic model." Kartay, along with the assistant general chairman, Oktay Eksi, Refik Oral and secretary general Ahmet Durakoglu came to Denizli early yesterday afternoon.

Kartay, who inaugurated a provincial center, afterward at a press conference criticized the established economic model saying:

"The economic model we have implemented for the past 3 years is the IMF model. This model lowered base prices. Workers' salaries were cut. Civil servants' income levels were lowered and the small businessman, too, was placed in a difficult position. Now it is said that this model has succeeded. The model has no requirement for an equitable distribution of wealth; poverty is on the rise and is spreading. But some groups have had their riches augmented."

SODEP leader Kartay then criticized the Finance Minister's statement that we could live on 175,000 lira per month and he noted:

"Inflation is increasing. According to state sources, the rate is now at 30 percent and these same sources say that it will be at 40 percent by year's end."

"The Finance Minister's monthly income is equal to 10 times that of a working family. First the Finance Minister came out against an increased sum for the workers, then he opposed the YHK [Superior Judicial Council]. The longer this economic model, begun after 1980, continues, the more questions will grow; the more the middle classes will be eliminated. So, who is defending this economic model? I want to answer that question. It is the IMF, the World Bank representatives. With this economic model, we have fallen from the ranks of the developing countries to being among the least developed countries."

Kartay, responding to criticism leveled at his party, answered along these lines: "Our party has no ties whatsoever with extremists." He continued:

"We absolutely do not endorse the political activities that went on prior to 12 September. SODEP has never had ties with the radical fringes. Those who have made these charges know nothing about what the Social Democratic Party really was. Social democracy is the society's bulwark against communism. We do not believe in communism or fascism. Those who do cannot remain within the framework of our party."

In response to a question, Cezmi Kartay again affirmed that not one of the three parties that would come to power after the 6 November elections would be able to make any changes whatsoever.

12280

CSO 3554/41

MP'S OZAL PRESENTS PLAN FOR GOVERNMENTAL REFORM

Istanbul CUMHURIYET in Turkish 2 Oct 83 p 7

[Text] Ankara--Motherland Party [MP] leader Turgut Ozal yesterday disclosed the main features of his party's election platform. Ozal stated that they have provided solutions for Turkey's six major problems in a work entitled "Program to Strengthen Economic and Social Development" and that if his party is elected to power the ministries will be reduced in number and will be made more powerful.

In a press conference yesterday, Ozal said that the full text of MP's election platform will be announced on 16 October.

Six Major Problems

Ozal listed without ordering the six major issues covered by MP's election platform as follows:

--Peace and security.

--The strengthening of the middle column, consisting of farmers, civil servants, small businessmen and retirees.

--Unemployment.

--Housing.

--Priority development regions, in particular the development of Eastern and Southeastern Anatolia regions.

--Bureaucracy.

Stating that his party sees these problems as the basic problems that will affect Turkey in the next 5 years, Ozal says that he believes that these problems can be solved with some fresh breath. Ozal continued:

"The first thing that we must do is to review the legal principles that have been enacted independently of each other in various periods in the past. The legal basis must be placed on strong foundations. We are contemplating to go the Grand National Assembly with a single draft bill at the beginning. This

bill will seek to harmonize different aspects of the laws that need to be changed. The Capital Market Law, the Incentives Law, the Turkish Commerce Law and legislation concerning the Central Bank, the banks, debts, customs, taxes, the personnel regime, the State Economic Enterprises and housing will be covered by this bill. The issue of bureaucracy may also be included. The laws must be placed in a harmonious framework."

Reorganization of Ministries

Ozal said that, to resolve these problems, his party is contemplating to reorganize the ministries "fundamentally" and to reduce the number of ministries from 26 to 18, 6 of which will be ministries of state. Stating that they have studied the ministries since the establishment of the republic, Ozal said that the prime minister, the ministers of state and the deputy prime ministers will concern themselves with general policy and the upper-level supervision of that policy. Noting that no changes are contemplated for the ministries of justice, national defense, interior and foreign affairs, Ozal listed the planned changes in the ministries described as "the third group" as follows:

"National education, culture, youth and sports will come under the jurisdiction of the Ministry of National Culture and Youth. The ministries of health, social assistance and labor will be combined into a single ministry. A Ministry of Revenues and Customs will be established. The ministries of public works, reconstruction and tourism will also be combined. Village affairs, agriculture and forestry will come under the jurisdiction of a single ministry. A Ministry of Industry and Trade will be established to also handle issues in energy and transportation."

Ozal later explained in detail how they are planning to solve the six major problems. He said that they are contemplating to give workers, civil servants, farmers, small businessmen and retirees--described as the "middle column"--a bigger share of the national income, to simplify their taxes and to reduce those taxes in the future. Stating that high taxes are not collectable taxes, Ozal said: "We will make sure to collect the taxes." Stating that current unemployment is the result of an accumulation over the years, Ozal said that unemployment will first be stopped from rising and then it will be reduced. Ozal added that the growth rate must be increased to 7 percent.

0588

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MUMCU CALLS OZAL'S 'LIBERAL' CREDENTIAL INTO QUESTION

Istanbul CUMHURİYET in Turkish 2 Oct 83 pp 1,11

["Observation" column by Ugur Mumcu: "A Memento, a Proof"]

[Text] Motherland Party [MP] leader Turgut Ozal is well acquainted with the techniques of propaganda. Almost everyday there are articles and commentaries about Ozal in newspapers. In these articles, Ozal is given the image of a fitting and moderate man with democratic views--a man who is "essential for every home." If our friend becomes a proponent of political liberalism in addition to supporting a liberal economy, what else does he need?

I read one of his statements a few days ago. He says:

"We defeated the extreme left scientifically with the 24 January decisions."

We do not know who Ozal is referring to by the term "extreme left", but as far as I know Ozal has not defeated the left; he has proven the left right. After devouring the segments known as the "middle class" with his economic policies, our friend has been able to come to these days as the champion of monopolization in the economy and chaos in the financial world.

But he keeps saying: "We defeated the left."

How has he done it? By arm wrestling or by the arbiter's rule? He says he won--even scientifically. Too bad.

The Turkish left has probably been very pleased that its own theses have been proven right by Ozal's IMF program which we can summarize as "Those who die will die and the survivors will be ours." No unmitigated Marxist has been as successful and helpful on this issue as Ozal.

The "Friedmanist-Ozalist" economic model is not a domestic product like a Sumerbank print. Then what is it? It is the Turkish-style implementation of IMF recipes.

Today, in Ozal's party there are prominent members who were once members of the political organization which used to write on walls slogans such as "Down with

liberal ... " A few days ago, I was talking to an "Ozalist" MP member and I asked:

"What are they doing in your party?"

The reply was very funny: "We applied the Mevlana theory."

The party apparently kept its door open to everyone. They said "come in" to everyone irrespective of their beliefs and political views. They said "come in no matter who you are." So, they came in.

It was 1969, I believe. Ozal was the Undersecretary of the State Planning Organization [DPT]. At the time the undersecretary--who together with his brother Korkut Ozal were known as the "clogged brothers"--had fired certain experts from the DPT. At the time I was a lawyer. One of the experts fired by Ozal from the DPT was a close friend of mine. I took over his case and I filed a suit at the Council of State. First we won a stay on the decision and then the council annulled Ozal's decision. However, Ozal never abided by the council's ruling.

This DPT expert eventually found work in a ministry. Meanwhile, he also compiled a study on government personnel who have not abided by the decisions of the Council of State and entered it in an investigative reporting competition held by a newspaper. The study won the first prize in the competition. The former DPT expert later became a member of this newspaper's staff.

The expert was Emin Colasan, the author of the book, "24 January, the Backstage of a Period."

When I hear the name "Ozal" mentioned, I always remember this illegal incident that happened at the time he was the Undersecretary of the DPT.

This illegal stance of Ozal's emerged once again during the days the 24 January decisions were put into effect. In the wake of the 24 January decisions, Ozal fired many more experts from the DPT. A close friend of mine handled the cases of these experts. The Council of State ruled that these acts were also illegal. This time, Ozal, almost mockingly, abided by the ruling for one day and fired the same DPT officials the next day. He also challenged the decisions of the Council of State by proudly noting under official documents that he was "not the one implementing the decisions."

This is now far Ozal's understanding of democracy and law goes.

These are the achievements of Turkish-style liberalism in the public sector. We have not forgotten and we will not forget.

Now, he is supposedly a liberal supporting democracy, etcetera etcetera... Explain those tales to my hat.

Before understanding what democracy and liberalism are, one must first see what they are not. The entire nation has been learning what liberalism is not from the personality of Ozal. And that is no small gain...

SIRMEN ANALYZES POSSIBLE SCENARIOS AFTER COE DECISION

Istanbul CUMHURİYET in Turkish 2 Oct 83 p 3

["The World Today" column by Ali Sirmen: "The Way of Dialog"]

[Text] The decisions taken by the Council of Europe [COE] at its recent meeting in Strasbourg have obviously not pleased Ankara. We will not go into the details of the decisions; newspapers reported those details in their columns. In any event, the indications before the meeting showed that not much could be expected from the recent session.

Ankara's displeasure over the decisions is natural. Here, let us point out that the COE has, for the moment and to a certain extent, stayed away from a decision that may completely break its ties with Turkey. Even so, it may be said that the Council's attitude has reached a point where it may eventually lead to a complete break. It cannot be denied that those supporting this view have certain justified grounds.

However, in view of the fact that we live in a dynamic environment it is hoped that developments that will take place in Turkey and Europe between now and the beginning of 1984 will change the course of events and set new directions.

What is important today is what is going to happen from now on.

In other words, what course of action will Ankara choose?

At first glance, it appears that we have two options before us.

The first option is that Ankara endorses a posture whereby it is careful to preserve its ties with Europe and not to break off the dialog while pursuing its own policies and going through the steps of the transition period as it had planned previously.

The second option is that Ankara reacts strongly to the recent COE decision and rapidly moves toward a posture that may lead to a complete break in ties with the COE or chooses a stance of slow escalation in that direction.

There is no doubt that if the government takes the second option it will be able to provide premises which will justify its stance. There is also no doubt that these premises will not conflict with the policies being pursued.

However, we believe that such a stance would be more in line with the emotional attitude that has dominated our foreign policy for so long. In recent years, Turkey's foreign policy has begun to shed this image, though with difficulty. In our opinion it would not be too gainful to return to the policy of "anger sweeter than honey."

Governments do not like their gains being blocked by elements which do so on grounds they think is justified.

This is a known fact.

But what happens when such a reaction turns into a stance which may go as far as a complete break in ties?

Before responding to that question there is merit in recalling certain points. First of all, Turkey has placed itself in the Western bloc. In Turkey's relations with the West there may be features that may deserve criticism from a perspective of our own national interests. And these features are not just part of the framework of Turkish-American relations. As in the past, today too, our relations with Europe have aspects that may be modified in our favor. However, we must never lose sight of our goals in seeking such modifications.

If Turkey will subject its alliances with the West to a complete review and will give them a new direction, or even, if it will shift the emphasis in another direction, then there is not much to say.

Such a stance would be a fundamental change of preference and the requirements of that choice must be met.

If, however, Turkey does not intend making such a fundamental change then it is important not to forget the following point: The relations that are based on alliances form an edifice consisting of different components. Disregarding some the components with hasty reactions may lead to results that may hurt the whole edifice.

What we have said so far does not mean that we are recommending a policy of appeasement in our relations with the West. A consistent foreign policy cannot tolerate a stance of appeasement in relations with either the West or the East or the Third World.

However, there is merit in continuing the dialog in politics for as long as possible.

Those who hope to gain advantage by a break in Turkey's dialog with part or all of the West continue their capricious stance toward Western institutions while consolidating their place within those institutions and trying to use this situation against us.

Let us not forget that the same circles have influence over the U.S. Congress as well as the U.S. administration in view of the fact that next year is an election year in the United States.

Given this situation, the advantages of a dialog to find common grounds over a policy of anger are obvious.

PARTY LEADERS ATTACK COE DECISION TO UNSEAT DELEGATION

Istanbul CUMHURİYET in Turkish 2 Oct 83 pp 1,7

[Text] Ankara--Party leaders have expressed concern over the Council of Europe [COE] Advisory Board's decision regarding Turkey. Nationalist Democracy Party [NDP] leader Turgut Sunalp characterized the decision as "interference in Turkey's internal affairs", while Populist Party [PP] leader Necdet Calp described the move as "a premature decision." Motherland Party [MP] leader Turgut Ozal said that he does not think the decision "is justified."

In a written statement about the decision of the COE Advisory Board, NDP leader Sunalp said: "As a nation, we cannot tolerate such a decision."

Sunalp's statement further said:

"The organization cannot take over authorities not vested in it and cannot assume the identity of a judicial organ. This decision, which has been taken only 5 weeks before the general elections in Turkey, also means disrespect for democracy. The elections in Turkey will bring forth the will of the Turkish nation and will mark the beginning of a new democratic period. Judging the form and the results of these elections is not the business of the socialist members of the COE Advisory Board.

"Another issue that is causing grief to our party and our nation is the fact that the antagonism front that wants to use such international organizations against Turkey counts in its ranks the so-called Turkish left which is the source of provocations. Complaining to foreigners about one's own government and nation is the worst form of treason. These traitors, who could not attain their goals at home through anarchy and terrorism, are now conducting a different form of terrorism abroad and are trying to prevent Turkey from returning to the democratic parliamentary system. These traitors will fail yet again. It is the Turkish nation and the Turkish state that will decide on our destiny and internal affairs. Foreigners and the traitors collaborating with them do not and cannot have a say in these matters. We will continue on our path as a nation and we will frustrate these treacherous efforts."

Calp: "A Premature Decision"

PP leader Necdet Calp described the COE Advisory Board's decision as "a premature decision."

Calp said on this issue: "We do not think that it is right to take such a decision before observing the election and before seeing the structure of the assembly that will be elected. COE's decision is a premature decision.

"Turkey is making a serious effort to return to the democratic system. The conditions that we are facing today cannot be disregarded. It is impossible to make a transition from such conditions to a normal system overnight. The multiparty elections to be held on 6 November is a major milestone in this transition. Disapproving a parliament that will be elected by secret balloting and by public counting of ballots under the supervision of judges cannot be attributed to anything except prejudice. After the form of the elections and the structure of the parliament is seen, it will become evident that the decision was taken too hastily."

Ozal: "Not Justified"

During a speech in Cankiri, MP leader Turgut Ozal criticized COE's decision on Turkey and said: "I do not think that a decision that has been taken before the elections are held and in a way as if the elections will not be held in accordance with democratic principles is justified."

Ozal inaugurated his party's provincial headquarters in Cankiri yesterday and referred to COE's decision during his speech. Ozal said on this issue:

"With an advisory decision they have decided not to admit to the COE delegates from the parliament to be elected. This is not a favorable decision for Turkey. We are a nation that has had good relations with the West for years. These good relations have benefited both us and the West. But I do not think that a decision that has been taken before the elections are held and in a way as if the elections will not be held in accordance with democratic principles is justified."

Referring to the importance of Turkey's relations with the West, Ozal said: "It is not our fault; it is the fault of our friends who do not understand our problems." Ozal added: "The people may be disillusioned when the elections are over."

Stating that the "6 November elections are key elections", Ozal gave the 1950 and the 1965 elections as examples of elections where making a decision is difficult. Ozal said: "Our nation will make the right decision and we will make our move to become an advanced country."

Ozal yesterday began a tour that will cover 13 provinces. As Ozal's convoy was moving out of Ankara an automobile carrying three journalists had an accident. There were no injuries or property damage.

9588

CSO: 3554/34

FRENCH AIR, LAND, SEA FORCES REORGANIZATION ELABORATED

Paris DEFENSE NATIONALE in French Jul 83 pp 155-161

[Article by Georges Vincent: "The 1984-1988 Military Appropriations Law: Policy of Nuclear Deterrence and Development of Rapid Deployment Capabilities To Continue"]

[Text] The 1984-1988 Military Appropriations Bill, the essential elements of which we reported in our article last month, was finally enacted into law by the National Assembly on 20 May. The tables of equipment orders and delivery schedules we published are not sufficient--even in the light of the fact that the actualizations of the programs involved are to carry over well beyond 1988--to convey a clear picture of what our armed forces will be like around the year 2000. We will try to do this on the basis of a very interesting document: The report drawn up in the name of the Committee on National Defense and the Armed Forces, by Deputy Luc Tinseau, together with the annex appended to it and drawn up by his colleague Mr Jean-Yves Le Drian for the Committee on Finance, the General Economy and the Plan.

If there is a domain that will not tolerate improvisation it is certainly that of Defense. Mr Luc Tinseau stresses this fact: After first reporting the results of the previous appropriations law, he affirms that "a certain continuity is necessary." The principles of independence, decisional autonomy and the search for peace that have heretofore guided French policy remain unchanged. Our strategy is meant, as in the past, to be deterrent and defensive. But the means of our defense must evolve and adapt in accordance with the challenges posed us by "new sources of instability."

These sources are situated in Europe as well in marginal zones and in the Southern Hemisphere. In Europe, the SS 20,s appear to be the instrument of an attempt to split the continent from the United States; they could confer on the Soviet Union the dominance over escalation and compel NATO to forgo the strategic response. The imbalance of forces applies as well to conventional weapons (tanks and planes), in which the Warsaw Pact holds a significant superiority.

To restore the balance, it is necessary, as the president of the Republic pointed out in his speech to the Bundestag on 20 January, "that entire regions in Europe not be devoid of counterchecks against nuclear weapons specifically aimed against them," which justifies the installation of the Pershing 2's and the cruise missiles if the INF [Intermediate Nuclear Forces] talks do not produce an agreement. In the Southern Hemisphere and in the under-developed zones, in the Middle East, Central America and Southern Asia, factors abound that could lead to armed conflict and local tensions tend to become the constituent elements of East-West rivalry and to degenerate into open or masked conflicts that can threaten our interests, our overseas territories and departments, our citizens living abroad or states with which we have signed defense or cooperation agreements. Our forces must therefore adapt to be able to respond to these threats.

The credibility of our nuclear forces must imperatively be maintained. This imposes "a continuing outlay for research, the maintaining a multi-component strategic force, and a continuing effort to improve the invulnerability of our systems."

Our conventional forces will not be expected to conduct a battle of long duration, either on our own soil or that of our nearest allies, but they must be capable of "providing substance, when the time comes and in the forms that we shall have decided, to the commitments undertaken toward our allies."

"Tactical nuclear weapons," Mr Luc Tinseau points out, "are not the instruments of a nuclear battle." They are intended to launch "a militarily significant final warning." "They need not be many in number. On the other hand, they must provide the political arm of the state a /"broad range of options that cannot merely be stages in a graduated response"¹ [in italics]/. The defense of our interests overseas is based on the availability of mobile conventional weapons and on their predeployment.

What means does the Appropriations Law provide for attaining these objectives, and how will our forces evolve between now and the year 2000?

Strategic Nuclear Forces

It is in this domain that the continuity of our defense policy is the most marked. The government is charged with maintaining the credibility of our deterrent forces. "This in no way entails multiplying the number of SNLE's [Nuclear Missile Launching Submarine(s)]." But to attain sufficiency, the building of a seventh SNLE, a new-generation one, decided by the president of the Republic shortly after his election, will be undertaken in 1986-1988, its entry into service being planned for 1994. It will at that time be armed still with the M4 weapon system, which the sixth SNLE, the "Inflexible," will be the first to carry in 1985.

¹ Underlined by the author.

Meanwhile, the previously built SNLE's will have been refitted, except for the "Redoutable," which is not slated to be refitted and will be decommissioned in 1997. Only one of these refittings will be completed prior to 1988, of the three that have been ordered under the 1984-1988 Appropriations Law.

The successor of the M4 system (six multiple warheads, 4,000-km range) will not be in production before the end of the century. Its range could be 6,000 km. The new mobile, wheel-vehicle-mounted, air-transportable SX missile, the building of which was approved by the Defense Council in October 1981, will not be ready until 1996, at which time it will initiate the constituting of the new component of the FNS (Strategic Nuclear Forces) that is to replace the air component consisting presently of the Mirage IV's. Eighteen of the latter will be converted to carry and deliver the ASMP (medium-range air-to-ground) missile with nuclear warhead; they will have a somewhat longer range and be less vulnerable to antiaircraft fire.

To improve the FNS command and control system, four Astarte PC (Command Post) planes will be put in service in 1988 and work will continue on the building of a complementary ground communications network. Service facilities are being hardened to lessen the destructive effects of the electromagnetic pulse generated by high-altitude thermonuclear explosions.

The eighteen S3 missiles of the 1st Strategic Missiles Group (Albion Plateau) will remain in service until 1996.

These figures and especially these 1988, 1994 and 1996 timeframes illustrate better than anything else can the long-term continuity of our ongoing effort to modernize our FNS, but also its limits and the impossibility for us of seeking to rival the nuclear superpowers. We aim no higher than to keep ourselves above the threshold of sufficiency.

Tactical Nuclear Forces

Our effort in this domaine centers on three types of vehicles: The Mirage 2000 N, a two-seat intruder equipped with the ASMP missile and slated to replace the Mirage III E and Jaguar beginning in 1988; the naval air arm's Super-Etendard, which is capable of launching the AN 52 tactical nuclear weapon and which is to be converted to deliver the ASMP missile; and the Hades ground-to-ground missile, the future successor of the Pluton.

Prior to 1986, 70 new orders for Mirage 2000 N's are to be added to the 15 orders already placed prior to 1983, to equip five squadrons. A total of 112 planes is planned, but only 36 Mirage 2000 N's will have been delivered by the end of 1986.

Between now and 1988, 50 Super-Etendard's will be converted--10 in 1984-1986 and 40 after 1986--to accept the ASMP missile.² The "Foch"--and, it stands

2) A notable increase over the 16 Super-Etendards equipped with the tactical nuclear weapon as of 31 December 1983.

to reason, the future aircraft carrier as well--will also be fitted to launch this new nuclear vehicle.

The first Hades regiment will not be fully equipped and manned until 1992-1993, but the "command and unit-raising structure" will be installed during the period 1984-1988. A self-sufficient group will be formed thereafter, consisting of possibly 4 or 5 regiments, each equipped with the same number of missiles as the present Pluton regiments.³ This group, which is committed to action by order of the head of state and placed, for its use, directly under the chief of staff of the Armed Forces, will not be a super-artillery intended to intervene in support of Army corps. Not being involved in their maneuvers, it can be deployed outside the zone of action, requiring in this case, however, a special system for its protection.

This group's firepower, combined with that of the ASMP-launching aircraft, would produce a significant strike, owing to the effectiveness with which it can be brought to bear deep into the enemy's order of battle, and a credible final warning prior to our launching of a strategic strike.

It should be noted that the Soviets and their Warsaw Pact allies have put into service since the 1960's, some 600 launch pads for SCUD's (NATO designation) having a range of 300 km, and that since 1978 they have deployed some 100 SS 22's and since 1980 some 10 SS 23's, with ranges of 1,000 km and 350 km respectively. It is clearly out of the question for France to try to match such levels.

Conventional Forces

Before going into the reorganization of the ground forces and the forming of the FAR (rapid deployment force), let us look at the programs whose actualization is provided for by the Military Appropriations Law:

FAR and New Armored Divisions

To form 7 combat helicopter regiments (4 for the FAR and 2 or 3 for army corps, the seventh to remain in reserve if the 3d Corps is dissolved), equipped with a total of 250 helicopters, the Law provides for the ordering of 80 new helicopters. The first 30, to be ordered between 1984 and 1986, will be SA 342 HOT (antitank missile)-equipped Gazelles; the next 50, to be ordered in 1986-1988, are to be a new-type HAP [support and protective helicopter] equipped with a third-generation missile, the first units of which are to come off the assembly line after 1988. Meanwhile, the HAP's will be SA 341's armed with cannon.

3) There are today 5 regiments plus 1 general reserve battalion, totaling 42 Plutons.

The forming of the FAR will in no way minimize the importance of the army corps and their armored divisions--even if the latter are reduced to six (in lieu of the present eight)--to which will be added two ID's [infantry divisions] and two other ID's made up of school trainees and reserve personnel. But the number of tanks per regiment in the armored divisions will be increased from 54 to 70 and they will be upgraded to AMX 30 B2's⁴. These AD's [armored divisions] will also have two AR's [artillery regiments] (48 pieces of artillery) in lieu of the present one AR, and beefed-up antiaircraft hardware with the entry into service of the new ASTCP [very short-range air-to-ground] missile. To this end, 511 new B2 or converted B tanks will be delivered between 1984 and 1988, and 315 ASTCP missiles will have been ordered during that period for delivery after 1988. The multiple-warhead rocket launcher will also have made its advent, with the entry into service of the first three of these units prior to 1988; the remaining 54 units will follow thereafter.

The numerical importance of the light armored vehicle of various types should also be noted: 1,327 AAV's [amphibious armored vehicles] for the infantry, to be delivered prior to 1988, and 600 thereafter; 600 LAV's [light armored vehicles] to be ordered beginning in 1986; and tactical vehicles as follows: 22,500 ordered; 18,000 to be delivered prior to 1988 and 9,500 thereafter [as published]. The latter program had fallen considerably behind schedule under the previous Military Appropriations Law. The same is true of the 155-mm cannon programs, owing to a technical contingency with regard to the ammunition, which held up the development of the program for a long time; 250 of the 155-mm cannon will be ordered and 158 delivered prior to 1988.

These figures show that the combat forces will acquire new firepower and increased mobility.

According to Mr Jean-Yves Le Drian, whose report is a continuation of Mr Luc Tinseau's, the reorganization of the ground forces responds to the "triple need of rapidity of action, firepower, and complementarity of forces." He stresses that it is in no way a question of discarding the battle tank, the value of which depends on its protection and firepower. It is this firepower that the reorganization of the AD's is upgrading by increasing the number of their tanks and artillery pieces. But, he says, "the tank is a slow instrument of combat."

We might add to this what is well known to the logisticians: It is no minor undertaking to move units of battle tanks several hundred kilometers by road and then restore them to battle readiness.

The FAR, consisting as it will of helicopters and light, wheeled, armored vehicles, will partially overcome these constraints and permit the committing to action of some 50,000 men and 600 antitank weapons at 200 kilometers from

4) The AMX 30 B2 has a heavier-duty transmission and an automatic-fire-control and laser-telemetry turret. Its cannon fires a flechette capable of piercing any armor presently in service, at a distance of 2,500 meters.

their initial zone of deployment: A brute-force action, but whose effect would be of short duration unless followed up immediately by the larger army corps units. Designed primarily for action in Europe, this force will be one of the options available to the president of the Republic to respond with conventional means to unforeseeable situations.

In his report, Mr Jean-Yves Le Drian gives, on a hypothetical basis, a possible breakdown of the composition of this force as follows:

--One air-transported division consisting of:

- 4 combat helicopter regiments (60 helicopters: 10 support and protective, 30 antitank and 20 maneuver helicopters);
- 2 infantry regiments, 48 Milans each;
- 1 command and headquarters services regiment;

--One light armored division consisting of:

- 2 tank regiments, each equipped with 36 AMX 10 RC tanks;
- 2 infantry regiments equipped with AAV's;
- 1 artillery regiment equipped with 24 tractor-drawn 155-mm pieces;
- 1 command and headquarters services regiment.

The present 31st Brigade would comprise the core of this division;

--One paratrooper division (PD), the present 11th PD, whose composition would remain unchanged. The nonregulars called up for service in these paratrooper regiments would be selected from among those volunteering for long-term duty;

--One marine infantry division (MID), the present 9th MID. The nonregulars called up for the MID regiments would also be long-term volunteers;

--One ID consisting of:

- 3 AAV-equipped IR's;
- 1 AMX 10 RC regiment;
- AP equipped with 24 tractor-drawn 155-mm pieces;
- 1 command and headquarters services regiment.

Except for the 31st Brigade, the 11th PD and the 9th MID, appear definitely slated to form part of this force, all assumptions as to the origin of its remaining units would be premature. It would also be venturesome to speculate

on which will be the two armored divisions and the army corps infantry divisions to be dissolved, and on the denomination of those to be formed from trainees in ground forces schools.

What is certain is that this reorganization is going to entail profound changes in the zone coverage of the national territory, the forces for operational defense of the territory and in the mobilization structure. Mr Jean-Yves Le Drian unhesitatingly says, in fact, that "recourse to mobilized, undertrained and slow-to-form divisions has never responded to the need to provide an effective defense of our national territory."

To provide this defense through a territorial forces network, the gendarmerie will be strengthened and its responsibilities enlarged.

Within each sensitive point, the civilian or military authority will be responsible for its defense, the gendarmerie being limited to an advisory role.

Enemy infiltrations will be taken charge of by units mobilized under the responsibility of the gendarmerie. To this effect, it is planned to create some 250 new PSIG's [Gendarmerie Surveillance and Intervention Platoon(s)] and undertake a large-scale renewal of equipment.

Larger-scale intrusions will be combated by mobilized units assigned to the new region--one reserve regiment--and to the zone defense--one brigade.

Naval Forces

Navy patrol planes play a well-known role in the protection of our FOST [Strategic Naval Force] and the surveillance of our maritime approaches, our economic zones and our supply routes. The Military Appropriations Law therefore provides for ordering 16 new-generation Atlantiques (2 in 1984-85 and 14 in 1986-1988). The total of this order will be delivered after 1988.

Added to those of an older model, these planes should make it possible to maintain our naval air strength at 42 units. Everything will actually depend on the rate at which old planes are replaced, as and when they are retired from service, by the new planes under this program.

Another important program for the security of our approaches and the protection of our FOST: The BAM's [minesweeper(s)]. The Law provides for:

--The delivery of 7 Eridans between 1984 and 1988 to be added to the 2 already in service. A 10th one is to be delivered in 1989;

--The ordering of new second-generation BAM's (900 tons, for the clearing of the slopes of the continental shelf at depths of 300 meters): Four units under a planned program of 12. The first BANG2's are to be delivered after 1988;

--The ordering of two BEGM [expansion unknown] experimental ships (900 tons and 400 tons) and four 400-ton ships for the support of GPD [mine-clearance diver] groups.

The second in importance among the major programs is that of nuclear attack submarines (NAS). The Law provides for the construction of three new NAS's in addition to the five already ordered. Number 1, the "Rubis," has already been built. The second one to enter into service will be the "Saphir" in 1984, the third in 1986 and the fourth in 1988. Thus, four of the eight NAS's ordered will be in service by 1988. In addition to their missions of patrolling for the naval forces and contributing to the security of the FCST, they will provide a stage in the training of the SNLE crews.

The largest of the programs, both in terms of volume (35,000 tons) and of budgetary credits (6.2 billion francs), will be that of the nuclear-propelled, attack-aircraft carrier, designed to serve as a base of operations for the Super-Etendards, which are to be converted progressively to fire the nuclear ASMP in lieu of the AN 52. In 1988, 43 Super-Etendards will be equipped to fire the ASMP, and 10 additional ones subsequently. The War of the Malvinas having clearly demonstrated the need of an early-warning screen for the forces at sea, the scouting function for this aircraft carrier will be provided initially by the Breguet Alize, the operational life of which will be prolonged until it can be replaced by a new plane or rather a new helicopter.

The last of the naval components, which is indispensable to action abroad if this action calls for the use of non-air-transported tanks and which is designed to provide their operational transportation, is that of the LSD's [landing ship, dock]. Three units of around 10,000 tons will be ordered, but will not be delivered until 1990-1993.

Air Force

The 1984-1988 Military Appropriations Law provides the Air Force with the means for maintaining 450 combat planes on line. It addresses three essential aspects: Planes, munitions, and protection of the bases.

Planes

--To the 70 Mirage 2000 N all-weather nuclear-armed intruders already mentioned above, 95 air-defense Mirage 2000's⁵ will be added. Taking into account prior orders, 70 planes are to be delivered between 1984 and 1988. The 2nd Fighter Squadron at Dijon, then the 30th at Reims, will be the first to receive them.

--Indispensable to airborne low-level detection and to the operation of Mirages equipped with PDR [Pulsed Doppler Radar], airborne low-level

⁵ There are two versions: The Mirage 2000C single-seater (46 already ordered prior to 1983) and the Mirage 2000B two-seater (17 already ordered prior to 1983).

detection system planes⁶ will be ordered in two successive stages: The first in 1986 for delivery in 1988, and the second thereafter.

--150 Epsilon trainers will have been delivered prior to 1988.

Munitions

The Law provides for the ordering of 1,195 air-to-air missiles and the delivery of 872, as well as the ordering of 2,179 modern air-to-ground munitions, of which 1,673 are to be delivered, before the end of 1988.

Protection of Bases

--Active protection will be provided by the Crotale sections (part of the 24-section complement), by the putting into service, beginning in 1986, of the first ASTCP missiles, and by a total of 300 20-mm double-gun turrets, the first 100 of which will be delivered between 1984 and 1986;

--Passive protection of the bases is to be provided by installing squadron CP's (command posts) in protective and underground shelters, to be ordered at the rate of five each year (nine to be completed by 1988).

A total of 224 additional shelters of all kinds will be added to the 540 already existing ones.

During this 1984-1988 period, the following choices will also have to be made:

1) A future ACT (Tactical Fighter Plane) to succeed the Mirage 2000 by around 1995. The Law provides budgetary credits for an ACX (Experimental Fighter Plane), which is to fly for the first time before the end of 1986/

2) A future transport plane to succeed the Transall. By 1997, in fact, not more than 47 of the latter type will still be in service. Between the present Transall tonnage (54 tons) and the 100 tons being called for, which seems too ambitious, some air experts are prepared to opt for a 70-ton plane, capable, however, of operating on summarily cleared terrains, of flying at low altitudes, and of dropping paratroopers at reduced speed or transport some 15 tons over a distance of 7,000 kilometers. This poses a very difficult problem, in that having two types of plane is out of the question and demands involved in the rapid transport of heavy cargo over long distances are irreconcilable with those involved in the transport of assault troops and having to land on hastily prepared terrain or drop them at slow speed.

6) The number of which will not be decided until the the choice of the plane has been made.

SOUTHERN PORTS BECOME DEPOTS FOR IRAQI OIL

Istanbul MILLIYET in Turkish 2 Oct 83 p 3

[Text] As the result of the financial crisis Iraq finds itself in, this country, at war with Iran for 4 years now, has begun to pay off its debts with oil or petroleum products. This, from Turkey's point of view, has created a "reverse transportation business." In the past, goods came to our southern shores in order to go on to the Middle East --they would be shipped on to Iran and Iraq on TIR trucks--now petroleum comes to these ports by tanker from Iraq. Creditors owed money by Iraq, and this includes Turkish contractors and businessmen, transport the petroleum they receive in payment through Turkey and Jordan and then market it. It has been stated that paying off debts with oil, a policy which Iraq began almost 3 months ago, will continue for some time longer.

Firms which collect their debts from Iraq with oil, transport the petroleum to Turkey by tanker, store the petroleum at Iskenderun Demir-Celik, Yumurtalik and Mersin and then they ship it from there by tanker and market it.

One firm which had trouble finding a storage depot uses a 30,000 ton former tanker that is docked at the Toros Fertilizer Factory dock at Yumurtalik. The oil, which is transported there by tankers, is emptied into the storage depot ocean tanker and from there loaded into another ocean tanker anchored at the same dock.

Some foreign companies who have followed these developments closely have rented Iskenderun and Mersin petroleum tankers in order to profit from the situation and they are making handsome profits.

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RED TAPE, INADEQUATE PORT FACILITIES HAMPER IRAN, IRAQ TRADE

Istanbul MILLIYET in Turkish 2 Oct 83 p 3

[Article by Muzaffer Bal: "Severe Congestion at Our Southern Ports"]

[Text] The transit trade which in recent years has become an important source of foreign exchange with the outbreak of the Iran-Iraq war and with the resulting increased importance of the Mersin and Iskenderun ports, has not been as profitable as expected. This is because, on the one hand, of the proliferation of regulations which change one after another and the bureaucratic obstacles in this area, and, on the other, because port services have not overcome the shortages of personnel, vehicles and material necessary to be able to operate quickly. In this regard, the increase of transit goods arriving for shipment to Iran has once again led to congestion in these ports in recent months.

The inability to ship transit goods which have arrived at the ports to both Iran and Iraq at the same time is the cause for the recent congestion at the Mersin and Iskenderun ports. The imbalance between the cargo that arrives and the cargo that can be shipped is causing a backlog and this situation is creating the need for both covered and open warehouses and storage areas.

The congestion at the ports stems from the inability to obtain the vehicles necessary to be able to move the freight. Transportation organizations and vehicle owners argue that the number of vehicles purchased with incentive credits specifically for transportation is sufficient to transport the goods quickly and thus eliminate the backlog. They assert, however, that vehicles cannot be found because of the low transit fees.

It is known that whereas one cannot find vehicles to transport the goods at our ports, there are plenty of Turkish licensed trucks carrying goods abroad. Some TIR trucks and vehicles which have been converted into tankers are carrying goods in Iraq and many are transporting freight in Saudi Arabia. It is argued that the work abroad of transporting freight to Turkey earns incentive chits and customs reductions yet it is not useful as a source of foreign exchange for Turkey.

In this regard it is argued that to bring some speed to port services and thus to increase the income from this area a reorganization of the ports is needed to help daily operations. The shortages in workforce, vehicles and supplies

have to be quickly overcome. For example, the fact that we still have been unable to replace the largest, 30-ton crane at the Mersin port, the one knocked out of service as the result of a collision with a ship last year, has had a negative impact on the speed of loading and unloading. And, because of the inability to meet the vehicle and supply needs of the Iskenderun port, the failure to adequately make use of this now modern Iskenderun Demir-Celik port is costing us foreign exchange.

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SENATALAR INTERVIEWED ON NEED TO SHRINK BUDGET

Istanbul CUMHURIYET in Turkish 2 Oct 83 p 9

[Interview with Burhan Senatalar, faculty member at the School of Political Sciences of Istanbul University, by CUMHURIYET correspondent Osman Ulagay]

[Text] Burhan Senatalar was born in 1945. He is a graduate of the German high school in Istanbul and the School of Economics of Istanbul University. Senatalar became a graduate assistant in 1969 and, after submitting his doctoral dissertation in 1973, he received his doctorate in 1974. After working in the Saarbrücken University in West Germany and the York University in Britain for some time, Senatalar served as a faculty member in the School of Economics of Istanbul University. Currently, Senatalar is a lecturer in economics and finance at the School of Political Sciences of Istanbul University.

Question: Honorable Senatalar, the Consultative Assembly will begin discussing the 1984 draft budget tomorrow. First, I would like to ask you if the 1984 budget has any features that are different from recent years' budgets and the 1983 budget in particular.

Senatalar: Firstly, the 1984 budget does not envision a real increase compared to the 1983 budget. Although the 1984 budget is nominally 25 percent larger than the previous year's budget, prices are also expected to rise by 25 percent. In other words a real budget expansion is not envisioned. Secondly, the 1984 budget does not have any features that are different from those of the 1983 budget, or, for that matter, the post-1980 budgets of 1981 and 1982. The common characteristic of all these budgets is that they are a reflection of the crisis that has been plaguing the Turkish economy and the economic policies that have been adopted to overcome that crisis. More explicitly, the economic policies that are being implemented against this crisis have imposed a certain structure on the budget and this approach toward the budget has been preserved in its general form even though the figures have been changing every year. The main priorities of economic policy are also influencing the budget.

Question: What do you mean by "main priorities"?

Senatalar: The main priorities are, for example, raising exports and private investments and maintaining prices at a certain level--we can no longer talk about pulling down prices because the inflation rate envisioned for 1984 is not much different from the actual figure that was observed in 1982. On the other

and, there are issues for which specific targets have not been set, such as reducing unemployment and balancing the distribution of income among regions and classes. Several official documents, including the preamble for this budget, naturally refer to these problems and include them among their goals. For instance, the preamble for the 1984 budget mentions among its goals the balancing of income distribution, the expansion of social equity in the society and redressing the economic imbalance among the regions of the country. However, this is done only because it would be awkward to say the opposite, and, hence, everything is left up in the air. In reality, the budget embodies nothing toward resolving the problems of unemployment and unequitable income distribution. In capitalist economies, economic policies implemented during times of crisis are primarily aimed at accumulating capital and increasing exports and largely disregard problems such as unemployment and unequitable income distribution.

Question: It seems that such policies have been in vogue around the world in recent years.

Ansatar: Yes. Today, one can talk about a standard international recipe for capitalism from Asia to Latin America and from Europe to North America. However, we must not forget that this is not just a recipe imposed by the IMF, but a formula endorsed by the ruling circles in the economy of the country where the recipe is implemented. Within this framework, we can say that the budget policy, too, has a very standard form.

Question: What are these standard features of the budget? Can you elaborate on that?

Ansatar: The feature consists of the following elements: First, government expenditures are reduced as a whole. Second, government investments are decreased. Third, the government's social spending, such as expenditures on health care and education, are reduced. Fourth, government spending on social programs for low-income groups is reduced. Fifth, wages and salaries paid to personnel working in the government sector are reduced. In contrast, however, expenditures on general administration and internal and external security are increased. We can clearly see this framework being implemented in Turkey.

Question: Can we express quantitatively the trends in each of the factors you have mentioned?

Ansatar: Of course. The first element is the general shrinking of the budget. As is known, budgets get a certain amount of appropriations at the beginning of each fiscal year and by the end of the year they have larger appropriations as a result of supplementary appropriations received during the year. The actual expenditures, on the other hand, differ from both the beginning and the year-end appropriations.

In making such a comparison, it would be more reasonable to use the actual expenditures as a basis rather than the budgets' starting appropriations. Because, until 1981 actual expenditures exceeded starting appropriations substantially. Since 1981, actual expenditures have remained below the total appropriations for the budget. If we use actual expenditures as the basis of comparison, we see

that total budget expenditures for the years following 1980 have always been less--in real terms--than those of 1977, 1978 and 1979. This statement will apply to the 1984 budget if it is implemented exactly it is envisioned. For example, envisioned expenditures in the 1984 budget are 6 percent less than those of 1977 and 10 percent less than those of 1979. This decline is even more accentuated if we consider per capita government expenditures. Per capita government spending, in constant prices, declined from 1,371 Turkish liras in 1979 to 919 Turkish liras in 1982. We are estimating that this figure will remain under 1,100 Turkish liras in 1983.

Question: Are the figures as explicit about the decline in government investments?

Senatolar: Yes, they are. The share of government investments in the consolidated budget has declined substantially from over 30 percent in the 1979-1980 period. For example, this figure is expected to fall to 25 percent in 1983 and under 23 percent in 1984. We are witnessing a substantial decline over a period of 5 to 6 years.

Question: What about the decline in social services?

Senatolar: We see that as a decline in the share of expenditures on social services in the consolidated budget. When we say "social services" within the framework of Turkey's budget, we mean the budgets of the ministries of National Education, Health and Labor and universities. The share of these expenditures in the overall budget has steadily declined from a high of over 23 percent in 1979. This share in the 1984 budget is just over 19 percent. If we examine this group more closely, we see that the share of the budget of the Ministry of Health and Social Assistance in the overall budget has declined from 4.2 percent in 1979 to less than 3 percent in 1983. This figure is envisioned to be just above 3 percent in the 1984 budget. In contrast, the budget of the Security Directorate General--which lagged behind the Ministry of Health in 1979 with 2.4 percent--has received 3.5 percent of the appropriations in the 1984 budget, thus exceeding funds allocated for the Ministry of Health. The share of the budget of the Ministry of Education in the overall budget has also suffered setbacks since 1979.

Question: What has been the trend in wages and salaries for government employees?

Senatolar: The share of personnel expenditures in the overall budget has declined from around 30 percent in 1979 and 1980 to an estimated 25.6 percent in 1984.

Question: So far you have talked about groups whose share in the overall budget has declined. Which groups are getting a bigger share of the budget?

Senatolar: Expenditures that are included in the general services group--such as the expenditures of the Prime Minister's Office, the Foreign Ministry and the Ministry of the Interior--as well as the budgets of the Ministry of National Defense and the Security Directorate General are taking up a bigger share of the budget. As a whole, the share of general services in the budget has increased

from around 23 percent in 1979 and 1980 to 28 percent in the 1984 budget. The Defense Ministry's share in the budget has risen from 15 percent in 1980 to 18.4 percent in 1984.

Question: Going back to the issue we started with, I would like to ask again: Is it possible to target a high growth rate and to expect to resolve problems like unemployment and unequitable distribution of income with such budgets?

Senatolar: First, we must determine the following. When the inflation rate expected by a budget is exceeded in real life, then that budget will have shrunk in real terms compared to the previous year's budget. In 1983, the targeted inflation rate was 20 percent and the budget was enlarged over the previous year's budget on the basis of that figure. However, the actual inflation rate for 1983 will approach 30 percent, meaning that the 1983 budget will have shrunk compared to the previous year's budget. The expected inflation rate of 25 percent and the envisioned growth rate of 5 percent for 1984 do not seem realistic figures to me in the light of the latest economic indicators. I think that by the end of 1984 we will again have a shrunk budget in real terms. As I stated before, redressing the unemployment and income distribution problems is not emphasized by the economic and budget policies that are being implemented.

Question: What will be the effect of the pay increases to be given to civil servants by increasing the [pay scale] coefficient and the reduction of the tax rate to 30 percent at the beginning of next year? Would these moves not have a positive, though limited, effect?

Senatolar: I think that the calculation of the pay scale coefficient embodies a mechanism that is working against the civil servants. The coefficient is also calculated on the basis of inflation forecasts. As soon as the actual inflation rate exceeds the forecast the pay raise given to the civil servants by the new coefficient loses its effect and becomes inadequate. Of course, technically, this problem can be solved by adjustments during the year, but that is not done because it is not desired. Consequently, it appears impossible to approach the goal of redressing the income distribution problem by increasing the coefficient and by reducing the tax rate.

Question: Now there is also the problem of trying to pass the new budget through the Consultative Assembly before the assembly's term of office expires. For that reason, there is an inclination to hurry the discussion of the budget. Do you think that there are any drawbacks to that?

Senatolar: There is a drawback in view of the fact that such a move may limit the discussion of the issue in public. However, I do not think that such a move would have any drawbacks as far as the discussion of the budget in the Consultative Assembly is concerned. It is hard to say that the budget discussions of the Consultative Assembly have been very fruitful in past years.

Question: Can there be any drawbacks in view of the fact that the government to be elected on 6 November will have to implement a budget it did not draw up?

Senatolar: In principle, the budget is one of the most important means of

policy implementation at the hands of a government. Consequently, it may be contemplated of course that the new government may feel the need to modify the budget.

Question: Particularly if it has a different economic policy in mind...

Senatolar: Yes. If such a need is felt, it may be contemplated that the new government may implement the budget it inherits for one or two months and may start preparations for a new budget. The new government may also make the changes in wants by authorizing special or supplementary appropriations. However, among the parties that are running for election, I do not think that the Nationalist Democracy Party would feel the need for such changes. The Motherland Party may feel a little more need for such changes.

Question: Can we conclude from what you have said so far that the budget has stopped being a policy tool in Turkey?

Senatolar: In general, budget policies in underdeveloped countries are not very effective. Consequently, no matter which party is elected to power, we cannot expect significant changes in budget policy as long as the main economic strategy is not changed.

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ENERGY MINISTER ON LIGNITE AS ENERGY CRISIS PANACEA

Athens ETHNOS in Greek 26 Sep 83 p 17

[Text] The fear of hardships for the countries of Europe as a result of a petroleum crisis (rising prices, scarcity of oil, etc.) had a unifying effect at the meeting of the energy ministers that took place day before yesterday under the chairmanship of Mr. Kouloumbis.

In analyzing the results of this meeting and the problems of energy policy in general, the minister of Energy and Natural Resources made the following statements in an exclusive interview with ETHNOS:

Question: What, do you think, should be the long-range aims of the energy policy of the Community?

Mr. Kouloumbis: It is true that the factors which can lead to a crisis exist today, despite the good economic concurrence, a fact which makes our continued vigilance especially significant.

The Committee has already perceived the significance of a balanced program and soon we will have proposals for solid fuels while a study should begin to seek a specific manner for coping with countries with advanced energy sources.

In view of the fact that the proposals of the Committee foresee great expenditures for subsidies, many countries addressed this undeniable advisability of subsidies.

Question: How would you summarize the results of this meeting?

Mr. Kouloumbis: There was actually a significant convergence of views on all the subjects discussed and which I already mentioned. There were also commitments for the definite implementation of trial programs for coke and giving impulse to the package of solid fuels that includes our lignite. There was a good beginning for further discussion.

Question: What progress has been made to date in the dialogue between EEC and oil-producing countries?

Mr. Kouloumbis: Our country has always been in favor of such a dialogue as have

many other EEC countries. There are certain countries that doubt the probability of tangible results which can be achieved by this dialogue.

In any event, during the term of our chairmanship, everything possible will be done to further the dialogue.

We believe that the oil-producing countries these past years have shown a spirit of understanding which must, in any case, be correspondingly met by us the consumers.

Question: What are the activities of this Community program which you discussed analytically and what objective differences are there between the member-countries of EEC?

Mr. Kouloumbis: The proposals of the Committee that were discussed were related to three pivotal activities: first, the rational use of energy; second, the search for Community sources of energy; and third, the development of a balanced supply of energy.

No country disagreed radically with the general contents; there was, however, extensive discussion of the more specific questions.

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